

PRESS RELEASE



Ireka Corporation Berhad

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IREKA: REVENUE INCREASED BY 21% TO RM393M FOR FY2010

Kuala Lumpur, 31 May 2010: Main-Board listed construction and property developer Ireka Corporation Berhad (Ireka) achieved a **revenue of RM393.1 million** for the **financial year ended 31 March 2010 (FY2010)**, a 21.4% increase from RM323.7 million revenue recorded in the previous financial year. Its construction division remains the key driver for the Group, contributing over 90% of the Group's turnover during the year under review, with the rest from its property development management and IT divisions.

Net profit for the year under review stood at **RM8.7 million**, which is an increase of 43.6% from a net profit of RM6.02 in the previous financial year.

During Q4, the Directors have reassessed the accounting policy for Ireka's investment in London-listed Aseana Properties Ltd ('Aseana'), and reclassified the stake from "other investment" to "investment in associate". Consequently, the Group registered a share of Aseana's loss of RM2.9 million in FY2010. This share of loss resulted in a lower net profit during this quarter of RM820,000. For the Q4, revenue increased 37.2% to **RM104.6 million**, from RM76.2 million recorded in the corresponding quarter of the previous financial year.

Note: As of 1 June 2009, Ireka owns 23.02% stake in Aseana, an increase from the previous 19.6% due to cancellation of Aseana's treasury shares.

Ireka is currently undertaking the construction a high-end condominium project (**SENI Mont' Kiara**) and a retail mall / office towers project (**one Mont' Kiara**) in Mont' Kiara, Kuala Lumpur. It is also involved in the construction of a retail mall and a hotel under the **Sandakan Harbour Square** project in Sabah.

Last month, Ireka bagged a RM36.2 million infrastructure project from the Iskandar Regional Development Authority (IRDA), to build the proposed Bandar Indahpura, **Kulai-Second Link Expressway Interchange** in Iskandar Malaysia, Johor. Under the project which forms part of the 9th Malaysia Plan (RMK-9) development projects in Iskandar Malaysia, Ireka will undertake the construction of bridges and vehicular box culvert, ground improvement, earthworks, drainage works, road pavement works, as well as street lighting, retaining wall and electrical works.

In April, Ireka, through its wholly-owned subsidiary World Trade Frontier Sdn Bhd, completed the acquisition of a piece of freehold land measuring 43,559 sq ft (*approximately 1 acre*) for RM87.12 million. The land is strategically located in the heart of Kuala Lumpur City Centre ('KLCC') on Jalan Kia Peng, adjacent to the KLCC Convention Centre, and is less than 5 minutes walk to the Petronas Twin Towers and KLCC Park. Subject to planning and development approvals, the site will consist of high-end serviced residences, which are targeted for launch by middle of 2011.

Group Managing Director of Ireka Corporation Berhad, Lai Siew Wah, said, ***"With more construction jobs expected to be put out by the Government under the two announced economic stimulus packages totaling RM67 billion, and the generally much improved private sector property sector, Ireka is optimistic to secure more construction works in the year based on our solid track record in civil engineering, infrastructure and other building works, as well as construction of upmarket residential and commercial projects."***

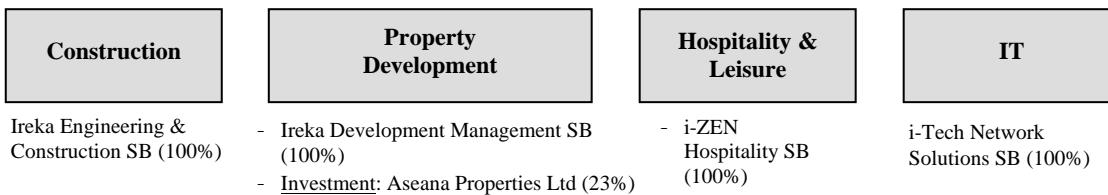
Lai added, "As at end April 2010, the Group's total construction order book stood at approximately RM1.02 billion with outstanding order book at approximately RM440 million. Our net gearing is at a comfortable level of 0.6X, with shareholders' funds at RM237.7 million."

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About Ireka Corporation Berhad

Ireka Corporation Berhad ('Ireka') www.ireka.com.my was founded in 1967. Ireka was listed on the Second Board of Bursa Malaysia on 12 July 1993, and transferred to the Main Board on 13 June 2002. Currently, the Group's activities are divided into four core businesses; namely **Construction, Property Development, Hospitality & Leisure, and IT**.

Note: The diagram below indicates key entities only.



In its over four decades of operation in the **Construction** business, Ireka has distinguished itself by its involvement in the construction of some of the country's most notable projects; such as the Kuala Lumpur International Airport runway, Kuala Lumpur Middle-Ring Road II, North-South Expressway, Putrajaya Government Administrative Offices, Digi Corporate Office (D'House), Technology Park Malaysia and The Westin Kuala Lumpur.

In the **Property Development** business, Ireka began acquiring landbank in Mont' Kiara since 1990s, which enabled the Group to undertake property development activities throughout 1990s and 2000s. Ireka had successfully initiated the listing of a property company, Aseana Properties Limited ('Aseana') www.aseanaproperties.com, on the London Stock Exchange on 5 April 2007, and injected its two property subsidiaries into Aseana. Ireka currently holds a 23% stake in Aseana. This move has allowed Ireka to undertake property development activities in Malaysia and Vietnam through its wholly-owned subsidiary, Ireka Development Management Sdn Bhd ('IDM'), which is the exclusive Development Manager for Aseana. Current property development projects managed by IDM include one Mont' Kiara, SENI Mont' Kiara, Sandakan Harbour Square (Phase 3 & 4) as well as several developments in Vietnam. Some of the completed projects undertaken by Ireka previously include Tiffani by i-ZEN, i-ZEN@Villa Aseana, i-ZEN@Kiara II, i-ZEN@Kiara I, Luyang Perdana (Kota Kinabalu) and Sandakan Harbour Square (Phase 1 & 2).

Building on its much-celebrated **i-ZEN** (www.i-zen.com.my) brand of luxury properties in Malaysia, the Group's property development activities are also strongly supported by its property management arm, through i-ZEN Hospitality Sdn Bhd, which manages completed properties. i-ZEN Property Services Sdn Bhd undertakes sales and marketing as well as leasing services for completed i-ZEN properties.

Within the Group's **Hospitality & Leisure** business, it has previously developed, owned and managed The Westin Kuala Lumpur, an international 5-star award-winning hotel. The Westin Kuala Lumpur was opened in September 2003 and has won many highly coveted awards such as FIABCI Malaysia Property Awards 2005 (*Hotel Development category*), Prix d'Excellence Award 2006 (*Best Hotel & Resort category*) and Hospitality Asia Platinum Awards 2005 – 2006 (*The Award for Excellence – Best New Hotel*). Through The Westin Kuala Lumpur, Ireka has built on its expertise to manage serviced residences in the highest level of standards. The 443-room Westin Kuala Lumpur was sold in early 2007 for a record price of about RM1 million per room.

Ireka's **Information Technology** arm, i-Tech Network Solutions Sdn Bhd (i-Tech) www.itns.com.my, focuses on the provision of IT networking solutions, that enables business operations to be conducted in an efficient and optimum manner. Established since 2003, i-Tech has grown immensely throughout the years and formed strong alliances and partnerships with worldwide-recognised Software and Hardware principals. In recognition of these strategic partnerships, i-Tech has been conferred with numerous "Preferred Partner Award" status. With the support of its vast range of quality products and customer-centric services, i-Tech has also embarked into professional consultancy as the key business driver, providing network and security solutions that are customised to each customer's unique business requirements.