

PRESS RELEASE



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IREKA ACQUIRES PRIME LAND IN KLCC

*Ireka signs MoU with London-listed Aseana Properties Ltd
to co-develop high-end serviced residences*

Kuala Lumpur, 11 December 2009: Main-Board listed Ireka Corporation Berhad ('Ireka'), through its wholly-owned subsidiary World Trade Frontier Sdn Bhd, today announces that it has signed a Sales & Purchase Agreement (SPA) to acquire 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 a single towered high-end serviced residences with an estimated gross development value of RM272 million.

Chairman of Ireka Corporation Berhad, Haji Abdullah bin Yusof said, *"We are pleased to acquire this prime site for development, located in the heart of the city. The KLCC area will always be the country's most exclusive address and an international real estate investment destination. Having built our success in the upmarket Mont' Kiara area, I believe that Ireka fully understands the aspirations of today's discerning customers. We believe that small to medium-sized upmarket serviced residences will appeal to the growing cosmopolitan lifestyle of local urban Malaysians and foreigners who desire to live near the KLCC Park and one of the most famous landmarks in the world, the Petronas Twin Towers."*

Simultaneously, a non-binding Memorandum of Understanding (MoU) was signed between Ireka and the London-listed Aseana Properties Ltd ('Aseana') to co-develop the land on a 30:70 basis.

The completion of this MoU will be conditional upon:

- (a) completion of the Ireka SPA,**
- (b) the Directors of Aseana being satisfied that the transaction has been carried out in a fair and reasonable manner, supported by independent assessments and valuations; and**
- (c) the approval from Ireka's shareholders for the disposal of the 70% stake to Aseana.**

Haji Abdullah added, *"The timing of this acquisition is opportune as we have begun to see confidence returning, albeit with a slower momentum, to the real estate sector. Having Aseana Properties on board will also enhance the value of this development project because of their recognised track record in high-end property development."*

Additional Notes:

1. In April 2008, YTL Group acquired a one-acre piece of land on Jalan Stonor for RM2,000 per sq ft.
2. In May 2008, Sunrise Berhad acquired the 24-storey Wisma Angkasa Raya for RM2,588 per sq ft. sited on a 1.56 acre corner lot between Jalan Ampang and Jalan P. Ramlee.
3. In November 2009, Dijaya Corporation Berhad acquired the Bok House (next to Wisma Angkasa Raya) for RM2,200 per sq ft.

For more information pertaining to the land acquisition by Ireka Corporation Berhad, kindly visit <http://www.bursamalaysia.com> (Click Listed Companies > Company Announcements). Simultaneously, the announcement on the MoU between Ireka Corporation Berhad and Aseana Properties Lts is available at <http://www.aseanaproperties.com> (Click Investor Relations > Regulatory Announcements).

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 E-Commerce & 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.