

IREKA CORPORATION BERHAD
Condensed Consolidated Statement of Comprehensive Income for the financial period ended 30 June 2010

	Unaudited Current Year Quarter 30.6.2010 RM'000	Unaudited Preceding Year Corresponding Quarter 30.6.2009 RM'000	Unaudited Current Year To Date 30.6.2010 RM'000	Unaudited Preceding Year Corresponding Period 30.6.2009 RM'000
CONTINUING OPERATIONS				
Revenue	101,709	85,602	101,709	85,602
Cost of sales	(89,162)	(73,319)	(89,162)	(73,319)
Gross profit	12,547	12,283	12,547	12,283
Other income	611	454	611	454
Expenses	(7,737)	(7,035)	(7,737)	(7,035)
Profit from operations	5,421	5,702	5,421	5,702
Finance costs	(1,906)	(1,569)	(1,906)	(1,569)
Share of results of associates	(6,530)	-	(6,530)	-
Share of results of jointly controlled entity	(5)	(4)	(5)	(4)
Profit before tax	(3,020)	4,129	(3,020)	4,129
Income tax expense	(11)	(20)	(11)	(20)
	(3,031)	4,109	(3,031)	4,109
DISCONTINUED OPERATION				
Loss for the year from discontinued operation	-	-	-	-
Profit for the period	(3,031)	4,109	(3,031)	4,109
Other comprehensive income				
Exchange differences on translating foreign operations	(236)	(640)	(236)	(640)
Total comprehensive income for the period	(3,267)	3,469	(3,267)	3,469
Profit attributable to:-				
Equity holders of the Company	(3,031)	4,109	(3,031)	4,109
Non-controlling interest	-	-	-	-
	(3,031)	4,109	(3,031)	4,109
Total comprehensive income attributable to:-				
Equity holders of the Company	(236)	(640)	(236)	(640)
Non-controlling interest	-	-	-	-
	(236)	(640)	(236)	(640)
Earnings per share attributable to equity holders of Company:-				
- basic (sen)	(2.66)	3.04	(2.66)	3.04
- diluted (sen)	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the Interim Statements)

Other information:-

Profit from operations	5,421	5,674	5,421	5,674
Gross interest income	420	104	420	104
Gross interest expense	2,326	1,673	2,326	1,673

IREKA CORPORATION BERHAD**Condensed Consolidated Statement of Financial Position as at 30 June 2010**

	Unaudited As At 30.6.2010 RM'000	Audited As At 31.3.2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	73,636	72,220
Land and development expenditure	10,819	10,819
Investment properties	4,272	4,272
Investment in associates	159,656	166,127
Investment in jointly controlled entity	70	-
Available-for-sale investments	8,741	9,336
Other investments	-	-
Other intangibles	180	-
	257,374	262,774
Current assets		
Development properties	3,611	3,611
Inventories	17,287	16,857
Trade and other receivables	235,429	185,589
Amounts due from customers on contracts	18,612	24,457
Amounts due from jointly controlled entities	11,108	11,112
Deposits, cash and cash equivalents	44,638	40,675
	330,685	282,301
TOTAL ASSETS	588,059	545,075
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	113,915	113,915
Reserves	120,528	123,795
	234,443	237,710
Non-controlling interests	-	-
Total equity	234,443	237,710
Non-current Liabilities		
Borrowings	36,198	32,573
Deferred tax liabilities	3,252	3,253
	39,450	35,826
Current liabilities		
Trade and other payables	151,809	115,955
Borrowings	130,713	154,862
Overdrafts	31,644	-
Taxation	-	722
	314,166	271,539
Total liabilities	353,616	307,365
TOTAL EQUITY AND LIABILITIES	588,059	545,075

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the Interim Statements)

Other Information:-

Net assets per share (RM)	2.06	2.09
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IREKA CORPORATION BERHAD

Condensed Consolidated Statement of Changes in Equity for the financial period ended 30 June 2010

	<----- Attributable to equity holders of the Company ----->				<----- Non-distributable-----> <-Distributable->		
	Share Capital RM'000	Share Premium RM'000	Exchange Flucatuation Reserve RM'000	Retained Profits RM'000	Total Equity Attributable to Equity Holders of the Parent RM'000	Non-controlling Interests RM'000	(Unaudited) Total Equity RM'000
<u>3 months ended 30.6.2010 (Unaudited)</u>							
Balance as at 1.4.2010	113,915	21,871	(185)	102,109	237,710	-	237,710
Total comprehensive income for the period	-	-	-	(3,267)	(3,267)	-	(3,267)
	113,915	21,871	(185)	98,842	234,443	-	234,443
Dividends	-	-	-	-	-	-	-
Balance as at 30.6.2010	113,915	21,871	(185)	98,842	234,443	-	234,443

	<----- Attributable to equity holders of the Company ----->				<----- Non-distributable-----> <-Distributable->		
	Share Capital RM'000	Share Premium RM'000	Exchange Flucatuation Reserve RM'000	Retained Profits RM'000	Total Equity Attributable to Equity Holders of the Parent RM'000	Non-controlling Interests RM'000	(Unaudited) Total Equity RM'000
<u>3 months ended 30.6.2009 (Unaudited)</u>							
Balance as at 1.4.2009	113,915	21,876	(185)	98,395	234,001	-	234,001
Total comprehensive income for the period	-	-	-	3,469	3,469	-	3,469
Transaction costs	-	(5)	-	-	(5)	-	(5)
Dividends	-	-	-	-	-	-	-
Balance as at 30.6.2009	113,915	21,871	(185)	101,864	237,465	-	237,465

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the Interim Statements)

IREKA CORPORATION BERHAD**Condensed Consolidated Statement of Cash Flow for the financial period ended 30 June 2010**

	Unaudited Current Year To Date 30.6.2010 RM'000	Unaudited Preceding Year Corresponding Period 30.6.2009 RM'000
Net cash from operating activities	(509)	(14,087)
Net cash used in investing activities	(2,572)	(7,095)
Net cash used in financing activities	<u>13,581</u>	<u>22,637</u>
Net change in cash and cash equivalents	10,500	1,455
Cash and cash equivalents as at beginning of financial period	<u>2,494</u>	<u>8,959</u>
Cash and cash equivalents as at end of financial period	<u>12,994</u>	<u>10,414</u>

Cash and cash equivalents at the end of the financial period comprise the followings:-

Deposits, cash and bank balances	44,638	1,455
Overdrafts	<u>(31,644)</u>	<u>8,959</u>
	<u>12,994</u>	<u>10,414</u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the Interim Statements)

NOTES TO THE QUARTERLY RESULTS

A1 Basis of Preparation

The unaudited financial report has been prepared in accordance with *FRS 13: Interim Financial Reporting* and *Chapter 9 Appendix 9B of the Listing Requirements of the Bursa Malaysia Securities Berhad*.

The unaudited financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2010. The explanatory notes attached to the unaudited interim financial report provide explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2010.

A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2010, except for the adoption of the following new and revised FRSS, amendments to FRSS and IC Interpretations as described below, which are relevant to the Group's operations with effect from 1 January 2010:-

(i) FRS 101 – Presentation of Financial Statements (Revised)

Prior to 1 January 2010, the components of a set financial statements consisted of a balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements.

Upon the adoption of the revised FRS101, a set of financial statements shall now comprise a statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements. The statement of comprehensive income consists of profit or loss for the period and other comprehensive income. All non-owner changes in equity previously presented in the consolidated statement of changes in equity are now presented in the statement of comprehensive income as components in other comprehensive income.

The comparative financial information on the consolidated statement of comprehensive income have been re-presented as summarised below so that it conforms with the revised standard:-

	Consolidated Income Statement	Effect on adoption of FRS 101	Consolidated statement of Income <i>As restated</i> RM'000
Comprehensive	<i>Previously reported</i> RM'000	RM'000	
Profit for the period	4,109	-	4,109
Other comprehensive income			
Exchange differences on translating of foreign operations	-	(640)	(640)
Total comprehensive income	-	-	3,469

The adoption of other new and revised FRSs, IC Interpretations and amendments to FRSs, and IC Interpretations has no financial impact on the current financial statements or consolidated financial statements of the previous financial year.

A3 Audit Report

The auditors' report on the financial statements for the financial year ended 31 March 2010 was not subject to any qualification.

A4 Seasonality or Cyclicity of Operations

The Group's business operations are not materially affected by seasonal or cyclical factors for the financial period ended 30 June 2010.

A5 Unusual Significant Items

There were no items affecting the assets, liabilities, equity, net income or cash flow of the Group during the financial period ended 30 June 2010 that are unusual because of their nature, size or incidence.

A6 Material Changes in Estimates

There were no significant changes in estimates that have had a material effect in the current quarter results.

A7 Debt and Equity Securities

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

A8 Dividend Paid

The Company has not paid any dividend during the financial quarter ended 30 June 2010.

A9 Segmental Information

	Group revenue and results including Share of JVs 3 months ended	
	30.6.2010 RM'000	30.6.2009 RM'000
Segment Revenue		
Revenue		
Construction	96,098	80,483
Property development	16	-
Property investment	235	236
Trading and services	5,552	5,036
Investment holding and other	3,047	2,964
Total	104,948	88,719
Elimination of inter-segment sales	(3,239)	(3,117)
Total	101,709	85,602

Segment Results

Profit/(Loss) before taxation		
Construction	4,978	4,299
Property development	(50)	(46)
Property investment	(255)	45
Trading and services	(168)	(419)
Investment holding and other	(7,321)	(391)
	<hr/>	<hr/>
	(2,816)	3,488
Elimination of inter-segment profit	(204)	-
Total	<hr/>	<hr/>
	(3,020)	3,488

A10 Carrying Amount of Revalued Property, Plant and Equipment

The Group does not state any assets based on valuation of its property, plant and equipment.

A11 Material Subsequent Events

There were no material events subsequent to the end of the current quarter.

A12 Changes in the Composition of the Group

Save for the following, there were no other changes in the composition of the Group during the financial period under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations :-

- (i) The subscription by ASPL M9 Limited (“ASPL”), a wholly-owned subsidiary of Aseana Properties Limited, of 700,000 new ordinary shares of RM1.00 each at par in World Trade Frontier Sdn Bhd (“WTF”) on 20 April 2010, representing a shareholding interest of 70% of WTF’s enlarged share capital, for a total subscription amount of RM700,000 to be satisfied entirely in cash. This resulted in WTF ceasing to be a subsidiary of the Company and accounted as an associate from the said date.

A13 Contingent Liabilities

- (a) Contingent Liabilities

	Financial Quarter Ended 30.6.2010 RM	Financial Year Ended 31.3.2010 RM
(i) Corporate guarantees for credit facilities granted to the Group	49,181,731	49,051,731
(ii) Claims by former lorry subcontractors pertaining to deposits forfeited	843,395	843,395

(b) Contingent Assets

There were no contingent assets as at the end of the current quarter or at preceding annual balance sheet date.

A14 Capital Commitments

There were no capital commitments as at the end of the current quarter.

BURSA SECURITIES LISTING REQUIRMENTS (PART A OF APPENDIX 9B)

B1 Review of Performance

For the financial period ended 30 June 2010, the Group has achieved a revenue of RM101.709 million as compared to RM85.602 million for the preceding year. This is mainly due to higher volume of construction works being completed during the period.

For the financial period ended 30 June 2010, the Group has recorded a pre-tax profit of RM3.510 million before the share of losses in associates, as compared to RM3.489 in preceding year. Profit margins for construction projects were maintained but the results were adversely affected by share of loss in Aseana Properties Limited (“ASPL”) of RM6.528 million and also a mark-to-market loss for share investment in Kinh Bac City Development Shareholding Corporation (“KBC”) of about RM595K.

B2 Material Change in the Quarterly Results Compared to the Results of Immediate Preceding Quarter

The Group has recorded slightly lower revenue of RM101.709 million in the first quarter of financial year ending 31 March 2010, compared with RM104.595 million in the preceding quarter; and a pre-tax profit of RM3.510 million before the share of losses in associates, compared to RM1.219 million in the last quarter. The loss of RM3.031 million is after accounting for the share of loss of ASPL and mark-to-market loss as mentioned in B1 above.

B3 Prospects for the Current Financial Year

On the construction front, basing on existing works on hand, the Board expects turnover to at least be maintained in the current financial year. As at end July 2010, the Group’s order book stood at about RM1.03 billion, of which about RM380 million remained outstanding. Over the last 6 months, the Group has tendered for jobs totalling about RM1 billion and will endeavour to replenish its order book over the course of the year. Barring any unforeseen significant increase in the prices of construction materials, the Company expects the on-going construction projects to continue to contribute positively to the results of the Group.

The Board expects the fee income from property development management to further decline due to expected lower Net Tangible Assets of ASPL and weakening of US Dollars against Ringgit. The current global economic crisis has affected the performance of real estate markets in Malaysia and Vietnam, although the Directors expect the condition in both markets to continue to improve in the current financial year.

B4 Profit Forecast

The Group did not issue any profit forecast for the financial year ending 31 March 2011.

B5 Taxation

The taxation for the current quarter and period to date are as follows:-

	Individual Quarter 3 Months Ended		Cumulative Period 3 Months Ended	
	30.6.2010 RM'000	30.6.2009 RM'000	30.6.2010 RM'000	30.6.2009 RM'000
Malaysian income tax	11	20	11	20
Overseas taxation	-	-	-	-
Deferred taxation	-	-	-	-
	<u>11</u>	<u>20</u>	<u>11</u>	<u>20</u>

The effective tax rates of the Group for the current quarter and for the year-to-date are lower than the statutory tax rate due to losses suffered by certain subsidiaries and also utilisation of tax losses brought forward by the Company and subsidiaries.

B6 Unquoted Investments and/or Properties

There were no sales of unquoted investments or properties in the current quarter.

B7 Quoted Investments

There were no other purchases, disposal or investment of quoted securities for the current quarter and financial year-to-date.

B8 Status of Corporate Proposals

There are no on-going corporate proposals during the financial period under review.

B9 Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2010 are as follows:-

	RM'000
(a) Short term borrowings	
<i>Secured :-</i>	
Term loans	2,045
Project loans	52,053
Hire Purchase/Leasing	6,186
Trade finance	41,490
Bank overdraft	31,644
Revolving credit	27,939

	161,357
<i>Unsecured :</i>	
Revolving credit	1,000

	162,357

(b) Long term borrowings	
<i>Secured :-</i>	
Term loans	28,588
Hire Purchase/Leasing	7,610

	----- 36,198 -----
(c) Total borrowings	198,555 =====

All bank borrowings of the Group are denominated in Malaysian Ringgit.

B10 Off-Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at 23 August 2010.

B11 Material Litigations

The Group is not engaged in any material litigation as at 23 August 2010.

B12 Dividend Proposed

The Board of Directors has recommended a final single tier dividend of 5.00% per share for approval by the shareholders of the Company at the forthcoming Annual General Meeting.

B13 Earnings Per Share

	Individual Quarter 3 Months Ended		Cumulative Period 3 Months Ended	
	30.6.201	30.6.2009	30.6.2010	30.6.2009
(a) Basic				
Profit for the period attributable to equity holders of the parent (RM'000)	3,031	3,469	3,031	3,469
Weighted average number of ordinary shares	113,914,700	113,914,700	113,914,700	113,914,700
Basic earnings per share (sen)	(2.66)	3.04	(2.66)	3.04
(b) Diluted Earnings	N/	N/A	N/	N/A
)	A		A	

The Company has not issued any Employees Share Options or convertible instruments that have effects on its basic earnings.

By Order of the Board
IREKA CORPORATION BERHAD
WONG YIM CHENG
 Company Secretary
 Kuala Lumpur
 30 August 2010