

IREKA CORPORATION BERHAD

Condensed Consolidated Income Statements for the Quarter Ended 31 December 2007

	Unaudited Current Year Quarter 31.12.2007 RM'000	(re-stated) Unaudited Preceding Year Corresponding Quarter 31.12.2006 RM'000	Unaudited Current Year To Date 31.12.2007 RM'000	(re-stated) Unaudited Preceding Year Corresponding Period 31.12.2006 RM'000
Continuing Operations				
Revenue	89,951	36,017	249,724	122,918
Cost of sales	(76,228)	(37,195)	(218,916)	(125,806)
Gross profit	13,723	(1,178)	30,808	(2,888)
Other income	1,469	1,207	213,402	2,825
Expenses	(6,059)	(5,792)	(70,516)	(12,920)
Profit/(Loss) from operations	9,133	(5,763)	173,694	(12,983)
Share of profit/(loss) after tax of jointly controlled entities	(13)	22	(452)	20
Finance costs	(3,113)	(3,680)	(8,903)	(10,453)
Profit/(Loss) before tax	6,007	(9,421)	164,339	(23,416)
Income tax expense	(1,221)	(318)	(2,411)	(389)
Profit/(Loss) for the period from continuing operation:	4,786	(9,739)	161,928	(23,805)
Discontinued Operations				
Profit/(Loss) for the period from discontinued operation:	-	2,813	1,794	1,912
Profit/(Loss) for the period	4,786	(6,926)	163,722	(21,893)
Attributable to :				
Equity holders of the parent	4,786	(7,142)	163,722	(21,958)
Minority interest	-	216	-	65
(Loss)/Profit for the period	4,786	(6,926)	163,722	(21,893)
(Loss)/Earnings per share (sen) :				
- Basic, for profit for the period	4.20	(6.27)	143.72	(19.28)
- Diluted, for profit for the period	N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the Interim Statements)

Other information:-

Profit from operations	9,133	(5,763)	173,694	(12,983)
Gross interest income	1,443	814	3,124	887
Gross interest expense	4,556	3,680	12,027	10,453

IREKA CORPORATION BERHAD
Condensed Consolidated Balance Sheet as at 31 December 2007

	Unaudited As At 31.12.2007 RM'000	Audited As At 31.3.2007 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	33,934	20,834
Land and development expenditure	1,080	-
Investment properties	9,001	-
Interest in jointly controlled entities	140	220
Other investments	152,650	5,829
Other intangibles	2,985	12,580
	<u>199,790</u>	<u>39,463</u>
Current assets		
Development properties	10,313	12,186
Inventories	11,852	5,413
Trade and other receivables	191,196	92,465
Amounts due from customers on contracts	15,885	74,827
Amounts due from jointly controlled entities	11,479	11,632
Taxation	1,228	-
Deposits, cash and cash equivalents	46,246	2,121
	<u>288,199</u>	<u>198,644</u>
Assets of disposal group classified as held for sale	-	672,073
	<u>288,199</u>	<u>870,717</u>
TOTAL ASSETS	<u>487,989</u>	910,180
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	113,915	113,915
Reserves	133,353	41,537
Amount recognised directly in equity relating to assets of disposal group classified as held for sale	-	(16,062)
	<u>247,268</u>	<u>139,390</u>
Minority interests	117	1,044
Total equity	<u>247,385</u>	<u>140,434</u>
Non-current Liabilities		
Borrowings	5,216	42,464
Other payables	-	15,850
Deferred tax liabilities	3,824	3,227
	<u>9,040</u>	<u>61,541</u>
Current liabilities		
Trade and other payables	142,797	141,307
Borrowings	80,041	121,949
Overdrafts	8,726	20,867
Taxation	-	6,717
	<u>231,564</u>	<u>290,840</u>
Liabilities directly associated with the assets as held for sale	-	417,365
	<u>231,564</u>	<u>708,205</u>
Total liabilities	<u>240,604</u>	769,746
TOTAL EQUITY AND LIABILITIES	<u>487,989</u>	910,180

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the Interim Statements)

Other Information:-

Net assets per share (RM)	2.17	1.23
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IREKA CORPORATION BERHAD

Condensed Consolidated Statement of Changes in Equity for the Quarter Ended 31 December 2007

	<----- Attributable to equity holders of the Company ----->						
	<----- Non-distributable----->		<-Distributable->				
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Unaudited Total Equity RM'000
9 months ended 31.12.2007							
Balance as at 1.4.2007	113,915	21,924	(185)	(43,760)	91,894	3,977	95,871
Dilution of equity shares	-	-	-	-	-	(3,860)	(3,860)
Profit for the period	-	-	-	163,722	163,722	-	163,722
Transaction costs	-	(32)	-	-	(32)	-	(32)
Dividends	-	(8,316)	-	-	(8,316)	-	(8,316)
Balance as at 31.12.2007	113,915	13,576	(185)	119,962	247,268	117	247,385

	<----- Attributable to equity holders of the Company ----->						
	<----- Non-distributable----->		<-Distributable->				
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Unaudited Total Equity RM'000
9 months ended 31.12.2006							
Balance as at 1.4.2006	113,915	21,946	-	10,560	146,421	734	147,155
Profit for the period	-	-	-	521	521	(478)	43
Transaction costs	-	(8)	-	-	(8)	-	(8)
Dividends	-	-	-	-	-	-	-
Balance as at 31.12.2006	113,915	21,938	-	11,081	146,934	256	147,190

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the Interim Statements)

IREKA CORPORATION BERHAD**Condensed Consolidated Cash Flow Statement for the Quarter Ended 31 December 2007**

	Unaudited Current Year To Date 31.12.2007 RM'000	Unaudited Preceding Year Corresponding Period 31.12.2006 RM'000
Net cash from operating activities	92,767	107,162
Net cash used in investing activities	(150,553)	(84,883)
Net cash used in financing activities	44,818	(1,858)
Net change in cash and cash equivalents	(12,968)	20,421
Cash and cash equivalents as at beginning of financial period	50,488	(15,401)
Cash and cash equivalents as at end of financial period	37,520	5,020

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

Deposits, cash and bank balances	46,246	32,622
Overdrafts	(8,726)	(27,602)
	37,520	5,020

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007 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 2007. 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 2007.

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 2007.

A3 Audit Report

The auditors' report on the financial statements for the financial year ended 31 March 2007 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 31 December 2007.

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 31 December 2007 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 paid an interim dividend of 10% less income tax of 27% per share in respect of financial year ending 31 March 2008 on 9 October 2007.

A9 Segmental Information

	Group revenue and results including share of JVs	
	9 months ended	
	31.12.2007	31.12.2006
	RM'000	RM'000
Segment Revenue		
Revenue		
Construction	224,172	113,025
Property development	495	2,576
Trading and services	24,524	6,816
Others	4,534	5,903
Total	253,725	128,320
Elimination of inter-segment sales	(4,000)	(5,402)
Total	249,725	122,918
Segment Results		
(Loss)/Profit before taxation		
Construction	(18,758)	(20,965)
Property development	277	850
Trading and services	4,428	672
Others	178,392	(3,973)
Total	164,339	(23,416)

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 as 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:-

- (a) Incorporation of two new wholly-owned subsidiary companies, i-ZEN Property Services Sdn Bhd (formerly known as Visi Kembar Sdn Bhd) and i-ZEN Commercial Sdn Bhd (formerly known as Metropolitan Synergies Sdn Bhd).

A13 Contingent Liabilities

(a) Contingent Liabilities

	Financial Quarter Ended 31.12.2007 RM	Financial Year Ended 31.3.2007 RM
(i) Corporate guarantees for credit facilities granted to the Group	40,789,225	8,527,729
(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 31 December 2007.

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

B1 Review of Performance

On 15 May 2007, the Group has completed the disposal of its subsidiaries, Ireka Land and ICSD Ventures, resulting in the results of these two companies to date of disposal being classified under “Discontinued Operations”.

Excluding the two disposed subsidiaries above, the Group has achieved for the financial period ended 31 December 2007 a revenue of RM249.724 million as compared to RM122.918 million for preceding year, representing a doubling of the revenue. This was due to an increase in size of the order book and a number of construction projects operating at full swing during the financial period under review.

For the financial period ended 31 December 2007, the Group has recorded a profit before tax of RM164.339 million, after taking into consideration losses from completed projects and gains on disposal of its subsidiaries, Ireka Land and ICSD Ventures of about RM206 million. Excluding provision for construction claims, Ireka Engineering & Construction Sdn Bhd has made a profit of RM12.525 million for the financial period under review.

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

The Group has recorded a higher revenue of RM89.951 million and a pre-tax profit of RM6.007 million in the third quarter of financial year ending 31 March 2008, compared with a revenue of RM91.929 million and a pre-tax profit of RM5.285 million in the preceding quarter. Most of the profit for the quarter is contributed by Ireka Engineering & Construction and Ireka Development Management Sdn Bhd.

B3 Prospects for the Current Financial Year

On the construction front, the Board expects the turnover to increase in the current financial year, basing on works on hand and expected new contracts. The Group is working to secure some projects under the 9th Malaysian Plan and also from ASPL which will further boost the construction order book. All on-going contracts undertaken by the construction subsidiaries have good profit margins which will contribute positively to the results of the Group in the current financial year.

On the property development front, the Group has disposed of its Ireka Land and ICSD Ventures to Aseana Properties Limited (“ASPL”) on 15 May 2007 and the results of the two companies have ceased to be included in the Group’s from thereon.

ASPL is a company listed on the Main Market of the London Stock Exchange, which focuses on property development in Malaysia and Vietnam. The Group has retained a 19.6% stake in ASPL which the Board is confident will generate healthy capital gain and dividend income to the Group in the coming years.

Together with the disposal of Ireka Land and ICSD Ventures, Ireka Development Management (“IDM”) has commenced its role as the property development manager under a management agreement with ASPL, effective 16 May 2007. IDM expects to earn stable and healthy income in terms of management fee from this new business operation going forward.

B4 Profit Forecast

The Group did not issue any profit forecast for the financial year ending 31 March 2008.

B5 Taxation

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

	Individual Quarter 3 Months Ended		Cumulative Period 9 Months Ended	
	31.12.2007 RM’000	31.12.2006 RM’000	31.12.2007 RM’000	31.12.2006 RM’000
Malaysian income tax	1,221	318	2,411	389
Overseas taxation	-	-	-	-
Deferred taxation	-	-	-	-
	<u>1,221</u>	<u>318</u>	<u>2,411</u>	<u>389</u>

The effective tax rates of the Group for the current quarter and year-to-date are lower than the statutory tax rate due to gains on disposal of subsidiaries.

B6 Unquoted Investments and/or Properties

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

B7 Quoted Investments

The Company has acquired 42,987,884 number of shares in ASPL at US1.00 each during

the financial period ended 31 December 2007, being part of the share consideration paid for the acquisition of Ireka Land and ICSD Ventures by ASPL. The balance of the share consideration of 5,925,739 number of shares currently held in escrow by the administrator of ASPL shall be acquired by the Company upon fulfilment of certain conditions under the Acquisition Agreement. The shares are intended to be held as long term investment.

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 31 December 2007 are as follows:-

	RM'000
(a) Short term borrowings	
<i>Secured :-</i>	
Project finance	22,120
Hire Purchase/Leasing	154

	22,274
<i>Unsecured :-</i>	
Bank overdraft	8,726
Revolving credit	26,992
Trade finance	29,269

	87,261

(b) Long term borrowings	
<i>Secured :-</i>	
Term loan	1,506
Hire Purchase/Leasing	5,216

	6,722

(c) Total borrowings	93,983

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

On 26 November 2007, the Company has fully settled the above Collateralised Loan Obligation facility of principal amount RM40,000,000.00 and interest amount RM1,604,383.56.

B10 Off-Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at 28 February 2008.

B11 Material Litigations

The Group is not engaged in any material litigation as at 28 February 2008.

B12 Dividend

The Board of Directors has not declared any interim dividend for the financial period ended 31 December 2007.

B13 Earnings Per Share

	Individual Quarter 3 Months Ended		Cumulative Period 9 Months Ended	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
(a) Basic				
Profit/(Loss) for the period attributable to equity holders of the parent (RM'000)	4,786	(7,142)	163,722	(21,958)
Weighted average number of ordinary shares	113,914,700	113,914,700	113,914,700	113,914,700
Basic earnings per share (sen)	4.20	(6.27)	143.72	(19.28)

(b) Diluted Earnings

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
29 February 2008