IREKA CORPORATION BERHAD

Condensed Consolidated Income Statements for the Quarter Ended 31 March 2007

	Unaudited	(re-stated) Audited	**Unaudited**	(re-stated) Audited
		Preceding Year		Preceding Year
	Current Year Quarter	Corresponding Quarter	**Current Year To Date**	Corresponding Period
	31.3.2007	31.3.2006	**31.3.2007**	31.3.2006
	RM'000	RM'000	**RM'000**	RM'000
Continuing Operations				
Revenue	**62,712**	51,311	**185,630**	230,564
Cost of sales	**(81,603)**	(48,383)	**(207,409)**	(209,296)
Gross (loss)/profit	**(18,891)**	2,928	**(21,779)**	21,268
Other income	**31,661**	(77)	**34,486**	2,166
Expenses	**(18,795)**	(5,138)	**(31,715)**	(15,508)
(Loss)/Profit from operations	**(6,025)**	(2,287)	**(19,008)**	7,926
Share of (loss)/profit after tax of jointly controlled entities	**(10)**	(125)	**10**	(133)
Finance costs	**(3,755)**	(3,021)	**(14,208)**	(9,135)
(Loss)/Profit before tax	**(9,790)**	(5,433)	**(33,206)**	(1,342)
Income tax expense	**1,948**	(243)	**1,559**	(1,901)
(Loss)/Profit for the period from continuing operations	**(7,842)**	(5,676)	**(31,647)**	(3,243)
Discontinued Operation				
Loss for the year from discontinued operations	**(898)**	1,438	**1,014**	(952)
(Loss)/Profit for the year	**(8,740)**	(4,238)	**(30,633)**	(4,195)
Attributable to :				
Equity holders of the parent	**(8,987)**	(5,026)	**(30,880)**	(4,505)
Minority interest	**247**	788	**247**	310
(Loss)/Profit for the period	**(8,740)**	(4,238)	**(30,633)**	(4,195)
(Loss)/Earnings per share (sen) :				
- Basic, for profit for the period	**(7.89)**	(4.41)	**(27.11)**	(3.95)
- Diluted, for profit for the period	**N/A**	-	**N/A**	-

(The Condensed Consolidated Income Statements should be read in conjuction with the Audited Financial Statements for the year ended 31 March 2006 and the accompayning explanatory notes attached to the Interim Statements)

Other information:-

Profit from operations	**(6,025)**	(2,287)	**(19,008)**	7,926
Gross interest income	**214**	(767)	**1,101**	50
Gross interest expense	**(3,755)**	(3,021)	**(14,208)**	(9,135)

IREKA CORPORATION BERHAD

Condensed Consolidated Balance Sheet as at 31 March 2007

	Unaudited As At 31.3.2007 RM'000	(re-stated) Audited As At 31.3.2006 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	**20,912**	20,834
Land and development expenditure	**-**	-
Investment properties	**14,459**	-
Interest in jointly controlled entities	**140**	220
Other investments	**5,809**	5,829
Goodwill on consolidation	**-**	12,580
	41,320	39,463
Current assets		
Development properties	**8,265**	12,186
Inventories	**9,400**	5,413
Trade and other receivables	**103,656**	92,465
Amounts due from customers on contracts	**60,524**	74,827
Amounts due from jointly controlled entities	**11,726**	11,632
Deposits,cash and cash equivalents	**73,057**	2,121
	266,628	198,644
Assets of disposal group classified as held for sale	**251,518**	672,073
	518,146	870,717
TOTAL ASSETS	**559,466**	910,180
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	**113,915**	113,915
Reserves	**(20,234)**	41,537
Amount recognised directly in equity relating to assets of disposal group classified as held for sale	**1,226**	(16,062)
	94,907	139,390
Minority interests	**3,791**	1,044
Total equity	**98,698**	140,434
Non-current Liabilities		
Borrowings	**43,643**	42,464
Other paybles	**-**	15,850
Deferred tax liabilities	**3,227**	3,227
	46,870	61,541
Current liabilities		
Trade and other payables	**107,523**	141,307
Brrowings	**93,352**	121,949
Overdrafts	**22,922**	20,867
Taxation	**(1,184)**	6,717
	222,613	290,840
Liabilities directly associated with the assets as held for sale	**191,285**	417,365
	413,898	708,205
Total liabilities	**460,768**	769,746
TOTAL EQUITY AND LIABILITIES	**559,466**	910,180

(The Condensed Consolidated Balance Sheet should be read in conjuction with the Audited Financial Statements for the year ended 31 March 2006 and the accompanying explanatory notes attached to the Interim Statements)

Other Information:-

Net assets per share (RM)	**0.87**	1.23

IREKA CORPORATION BERHAD
Condensed Consolidated Statement of Changes in Equity for the Quarter Ended 31 March 2007

	<---- Attributable to equity holders of the Company ---- >						Minority Interests	Unaudited Total Equity
	<---- Non-distributable ---- >				<-Distributable->			
12 months ended 31.3.2007	**Share Capital RM'000**	**Share Premium RM'000**	**Foreign Currency Translation RM'000**	**Relating to Assets Held For Sale RM'000**	**Retained Profits RM'000**	**Total RM'000**	**RM'000**	**RM'000**
Balance as at 1.4.2006 (re-stated)	113,915	21,938	(57)	(16,062)	19,656	139,390	1,044	140,434
Exchange difference on translation of : - financial statements of overseas subsidiaries	-	-	(128)		-	(128)	-	(128)
Loss for the period	-	-	-		(37,020)	(37,020)	247	(36,773)
Transaction costs	-	(14)	-		-	(14)	-	(14)
Issuance of shares	-	-	-		-	-	2,500	2,500
Dividends	-	-	-		(8,548)	(8,548)	-	(8,548)
Amount recognised directly in equity relating to assets classified as held for sale	-	-	-	1,226	-	1,226	-	1,226
Balance as at 31.3.2007	**113,915**	**21,924**	**(185)**	**(14,836)**	**(25,912)**	**94,906**	**3,791**	**98,697**

	<---- Attributable to equity holders of the Company ---- >						Minority Interests	Unaudited Total Equity
	<---- Non-distributable ---- >				<-Distributable->			
12 months ended 31.3.2006	Share Capital RM'000	Share Premium RM'000	Foreign Currency Translation RM'000	Relating to Assets Held For Sale RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Audited Total Equity RM'000
Balance as at 1.4.2005	113,915	21,946	-	-	10,560	146,421	734	147,155
Exchange difference on translation of : - financial statements of overseas subsidiaries	-	-	(57)	-	-	(57)	-	(57)
Loss for the period	-	-	-	-	(4,505)	(4,505)	310	(4,195)
Transaction costs	-	(8)	-	-	-	(8)	-	(8)
Dividends	-	-	-	-	(2,461)	(2,461)	-	(2,461)
Amount recognised directly in equity relating to assets classified as held for sale	-	-	-	(16,062)	16,062	-	-	-
Balance as at 31.3.2006 (re-stated)	113,915	21,938	(57)	(16,062)	19,656	139,390	1,044	140,434

(The Condensed Consolidated Statement of Changes in Equity should be read in conjuction with the Audited Financial Statements for the year ended 31 March 2006 and the accompayning explanatory notes attached to the Interim Statements)

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

	Unaudited Current Year To Date 31.3.2007 RM'000	(re-stated) Audited Preceding Year Corresponding Period 31.3.2006 RM'000
Net cash from operating activities	**137,285**	4,987
Net cash used in investing activities	**(3,007)**	1,301
Net cash used in financing activities	**(65,397)**	(6,666)
Net change in cash and cash equivalents	**68,881**	(378)
Cash and cash equivalents as at beginning of financial period	**(18,746)**	(18,368)
Cash and cash equivalents as at end of financial period	**50,135**	(18,746)

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

Depostits, cash and bank balances	**73,057**	2,121
Overdrafts	**(22,922)**	(20,867)
	50,135	(18,746)

(The Condensed Consolidated Cash Flow Statement should be read in conjuction with the Audited Financial Statements for the year ended 31 March 2006 and the accompayning 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 134 : 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 2006. 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 2006.

A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2006 except for the adoption of the following new/revised Financial Reporting Standard (FRSs) which are effective for the financial year beginning 1 April 2006:

FRS5	Non-current Assets Held for Sale and Discontinued Operations
FRS101	Presentation of Financial Statements
FRS102	Inventories
FRS108	Accounting Policies, Changes in Estimates and Errors
FRS110	Events after the Balance Sheet Date
FRS116	Property, Plant and Equipment
FRS121	the Effects of Changes in Foreign Exchange Rates
FRS127	Consolidated and Separate Financial Statements
FRS131	Interests in Joint Ventures
FRS132	Financial Instruments : Disclosure and Presentation
FRS133	Earnings Per Share
FRS136	Impairment of Assets
FRS138	Intangible Assets

(a) FRS101 : Presentation of Financial Statements

The adoption of the revised FRS101 has affected the presentation of minority interest, share of results of associates and other disclosures.

In the consolidated balance sheet, minority interests are now presented within the equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interests.

Share of results of jointly controlled entities are now reported net of tax prior to arriving at the Group's profit before taxation.

The current period's presentation of the Group's financial statements presentation is based on the revised requirements of FRS101, with comparatives restated to conform to the current period's presentation.

(b) FRS5 : Non-current Assets Held for Sale and Discontinued Operations

FRS5 requires that a component of an entity to be classified as a discontinued operation when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations, is part of a single co-ordinated major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale. Upon the adoption of FRS5, non-current assets (or disposal group) held for sale are classified as current assets (and current liabilities, in the case of non-current liabilities included within the disposal group) and are stated at the lower of carrying amount and fair value less costs to sell.

The Group has applied FRS5 prospectively in accordance with the transitional provisions. However, as required by FRS5, certain comparatives of the Group have been re-presented due to current financial year's discontinued operations.

(c) FRS136 : Impairment of Assets and FRS138 : Intangible Assets

The adoption of these new FRSs resulted in the Group ceasing annual goodwill amortisataion. Goodwill is carried at cost less accumulated impairment losses and is now tested for impairment annually at the end of each financial year, or more frequently of events or circumstances indicated that it might be impaired. Any identified impairment loss is recognised in income statement and subsequent reversal is not allowed. Prior to 1 April 2006, the Group amortised goodwill on a straight line basis over 20 years.

(d) FRS116 Property Plant and Equipment

The adoption of the FRS116 has affected the presentation of investment properties and other disclosure.

(e) FRSs 102, 108, 110, 121, 127, 131, 132 and 133

The adoption of the above FRSs does not have significant financial impact on the Group.

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 Cyclicality of Operations

The Group's business operations are not materially affected by seasonal or cyclical factors for the financial period ended 31 March 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 March 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 has on 8 March 2007 paid an interim dividend of 8.8% per share in respect of the financial year ended 31 March 2007 comprising:-

(i) tax-exempt interim dividend of 4.0% per share; and

(ii) interim dividend of 4.8% less income tax of 27% per share

A9 Segmental Information

	Group revenue and results including share of JVs	
	12 months ended	
		(Re-stated)
	31.3.2007	**31.3.2006**
	RM'000	**RM'000**
Segment Revenue		
Revenue		
Construction	165,302	192,750
Property development	16,365	28,088
Trading and services	10,351	8,927
Hotel and leisure	716	799
Others	7,210	17,225
Total	199,944	247,789
Elimination of inter-segment sales	(14,314)	(17,225)
Total	185,630	230,564
Segment Results		
(Loss)/Profit before taxation		
Construction	(34,261)	(2,988)
Property development	(9,157)	4,119
Trading and services	476	875
Hotel and leisure	(36)	(85)
Others	9,772	(3,271)
Total	(33,206)	1,350

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 except for the following:-

Subsequent to the Company ("ICB") shareholders' approval on 9 May 2007, the following proposals were completed on 15 May 2007:-

(a) The proposed disposal by ICB via its wholly-owned subsidiary, Ireka Sdn Bhd ("ISB"), of its entire shareholding stake in Ireka Land Sdn Bhd ("Ireka Land"), representing 100% of Ireka Land's issued and paid-up ordinary share capital to Aseana Properties Limited ("ASPL"); and

(b) The proposed disposal by ICB of its entire shareholding stake in ICSD Ventures Sdn Bhd ("ICSD"), representing 60% of ICSD's issued and paid-up ordinary share capital to ASPL

for an aggregate indicative disposal consideration of RM214.455 million to be satisfied via minimum cash consideration of RM50.01 million and the balance via the issuance and allotment of new ordinary shares of par value USD0.05 in APL at the issue price of USD1.00 each subject to the terms and conditions of the conditional sale and purchase agreement dated 3 April 2007.

Upon completion of the above disposals, ILSB and ICSD ceased to be subsidiaries of ISB and ICB respectively.

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 a new wholly-owned subsidiary company, Ireka Development Management Sdn Bhd; and

(b) Disposal by ICB via its wholly-owned subsidiary, ISB, of its entire issued and paid-up share capital in Ireka Hotels Sdn Bhd ("Ireka Hotels") for a cash consideration of RM455 million (before adjustments) to Newood Assets Limited on 10 January 2007.

A13 Contingent Liabilities

(a) Contingent Liabilities

		Financial Quarter Ended 31.3.2007 RM	Financial Year Ended 31.3.2006 RM
(i)	Corporate guarantees for credit facilities granted to the Group	24,638,980	13,625,069

(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

The amount of capital commitments not provided in the financial statements as at 31 March 2007 is as follows:-

	RM
Approved and contracted for	-
Approved but not contracted	35,794,500
	35,794,500

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

B1 Review of Performance

During the financial quarter ended 31 March 2007, the Group has completed the sale of Ireka Hotels, resulting in the results of Ireka Hotels for the period ended 10 January 2007 (date of completion) being re-classified under "Discontinued Operations". In May 2007, the Group has also completed the disposal of its subsidiaries, Ireka Land and ICSD, resulting in the results of these two companies for the financial year ended 31 March 2007 being similarly re-classified under "Discontinued Operations".

After the above re-classifications, the Group has achieved for the financial year ended 31 March 2007 revenue of RM185.630 million as compared to RM230.564 million for preceding year, representing a drop of about 19.5%. This is due to the significantly lower volume of construction works completed during the year of RM165.302 million, compared to RM192.750 million in the preceding year.

For the financial year ended 31 March 2007, the Group has recorded a loss before tax of RM30.633 million, contributed mainly by losses incurred by the construction contracts secured by our construction subsidiaries over the last 2 years. The construction profitability of these contracts has been adversely affected by shortages and higher than expected prices of construction materials, fuel and oil during the financial year. Contributions from the Ireka Land and ICSD are also lower compared to the preceding year due to completion of a few projects during the year and lower billings from new projects launched. On the other hand, Ireka Hotels Sdn Bhd has improved on earnings and recorded a lower loss of RM6.688 million compared to preceding year, and is inclusive of a non-cash depreciation charge of RM9.353 million.

For the financial year ended 31 March 2007, the Group has also recorded a gain of RM29.909 million from the disposal of Ireka Hotel, offset by an impairment loss of RM14.504 million.

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

The Group has recorded a higher turnover of RM62.712 million and a pre-tax loss of RM9.790 million in the fourth quarter of financial year ended 31 March 2007, compared with a turnover of RM51.311 million and a pre-tax loss of RM5.433 million in the preceding quarter. The losses are attributed to generally poorer performance by the construction and property division compared to the previous quarter, as stated in Note B1 above.

B3 Prospects for the Current Financial Year

Based on the balance of works on hand and expected new contracts, the Board expects the construction turnover to increase in the current financial year. The Group is also working to secure some projects under the 9th Malaysian Plan, which will further boost the construction turnover. However, the Board expects the construction business to continue to register losses until all the accounts of loss-making projects are finalised, expected to be in this financial year. All newly secured contracts by the construction subsidiaries have higher 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 to Aseana Properties Limited ("ASPL") on 15 May 2007 and upon completion, the results of the two companies will no longer be included in the Group's from thereon. The disposal of these 2 companies is expected to result in a net one-time gain on disposal of approximately RM180.4 million, which will be reflected in the results of the Group in the financial quarter ending 30 June 2007.

ASPL is a company listed on the Main Market of the London Stock Exchange, which focuses in property development in Malaysia and Vietnam. The Group has retained a about 20% stake in ASPL which the Board is confident will generate healthy capital gain and dividend income to the Group in the foreseeable future.

Together with the disposal of Ireka Land and ICSD, Ireka Development Management Sdn Bhd ("IDM"), a wholly owned subsidiary of the Company, 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.

With the completion of the sale of The Westin Kuala Lumpur, the Group's results will no longer be affected by the operating results of the Hotel after the completion date of 10 January 2007.

B4 Profit Forecast

The Group did not issue any profit forecast for the financial year ended 31 March 2007.

B5 Taxation

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

	Individual Quarter 3 Months Ended		Cumulative Period 12 Months Ended	
	31.3.2007 RM'000	(Re-stated) 31.3.2006 RM'000	31.3.2007 RM'000	(Re-stated) 31.3.2006 RM'000
Malaysian income tax	(1,948)	243	(1,559)	1,201
Overseas taxation	-	-	-	-
Deferred taxation	-	-	-	700
	(1,948)	243	(1,559)	1,901

The Group has an income tax recoverable for the current quarter and year-to-date due to over-provision of taxes by a subsidiary and losses incurred by certain subsidiaries, mainly the construction subsidiary and hotel subsidiary.

B6 Unquoted Investments and/or Properties

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

B7 Quoted Investments

(i) There were no purchases or disposal of quoted securities for the current quarter and financial year-to-date.

(ii) There was no investment in quoted securities as at the end of the current quarter and financial year-to-date.

B8 Status of Corporate Proposals

As disclosed in A11.

B9 Group Borrowings and Debt Securities

The Group borrowings as at 31 March 2007 are as follows:-

		RM'000
(a)	Short term borrowings	
	Secured :-	
	Collateralised Loan Obligation facility	1,087
	Term loans/Project loans	27,978
	Hire Purchase/Leasing	1,366

		30,431
	Unsecured :-	
	Bank overdraft	22,922
	Revolving credit	46,209
	Trade finance	16,713

		116,275

(b)	Long term borrowings	
	Secured :-	
	Collateralised Loan Obligation facility	40,000
	Term loans/Bridging loans	2,578
	Hire Purchase/Leasing	1,065

		43,643

(c)	Total borrowings	159,918

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 25 May 2007.

B11 Material Litigations

The Group is not engaged in any material litigation as at 25 May 2007.

B12 Dividend

The Board of Directors do not recommend any dividend payment in respect of the financial year ended 31 March 2007.

However, the Board of Directors have proposed an interim dividend of 10% per share less income tax of 27% for the financial year ending 31 March 2008. The entitlement date will be announced at a later date.

B13 Earnings Per Share

		Individual Quarter 3 Months Ended		Cumulative Period 12 Months Ended	
		31.3.2007	**(Re-stated) 31.3.2006**	**31.3.2007**	**(Re-stated) 31.3.2006**
(a)	Basic				
	(Loss)/Profit for the period attributable to equity holders of the parent (RM'000)	(8,987)	(5,026)	(30,880)	(4,505)
	Weighted average number of ordinary Shares	113,914,700	113,914,700	113,914,700	113,914,700
	Basic earnings per share (sen)	(7.89)	(4.41)	(27.11)	3.95

(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 May 2007