

Sale of Aloft KL Sentral Hotel lifts Ireka's 1Q net profit to RM27.98m

KUALA LUMPUR: Ireka Corp Bhd posted sharply higher net profit of RM27.98 million for the first financial quarter ended June 30, 2016 (1QFY17), boosted by a gain from the sale of Aloft KL Sentral Hotel by its UK-listed associate company Aseana Properties Ltd.

In contrast, Ireka incurred a net loss of RM4.09 million in the previous corresponding quarter mainly due to the share of loss in Aseana.

In the financial results announcement to Bursa Malaysia yesterday, Ireka noted that it booked in share of profit of associate amounting to RM28.64 million in 1QFY17.

The company's quarterly revenue was down 4% to RM63.7 million against RM66.4 million a year ago. Earnings per share came in higher at 16.38 sen compared to loss per share of 2.39 sen in the previous corresponding quarter.

Ireka did not declare dividend for the quarter under review.

The construction division is the largest revenue contributor, generating RM60.66 million, down 4.9% from RM63.77 million a year ago. The division's pre-tax profit declined to RM980,000 from RM2.25 million in the previous corresponding quarter.