

IREKA CORPORATION BERHAD
Condensed Consolidated Income Statements for the Quarter Ended 30 June 2007

	Unaudited	(re-stated) Audited	Unaudited	(re-stated) Audited
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	30.6.2007	Quarter	30.6.2007	Period
	RM'000	30.6.2006	RM'000	30.6.2006
		RM'000		RM'000
Continuing Operations				
Revenue	67,844	37,863	67,844	37,863
Cost of sales	(61,788)	(37,830)	(61,788)	(37,830)
Gross profit	6,056	33	6,056	33
Other income	207,289	638	207,289	638
Expenses	(58,306)	(3,411)	(58,306)	(3,411)
Profit/(Loss) from operations	155,039	(2,740)	155,039	(2,740)
Share of loss after tax of jointly controlled entities	(461)	(1)	(461)	(1)
Finance costs	(1,531)	(3,019)	(1,531)	(3,019)
Profit/(Loss) before tax	153,047	(5,760)	153,047	(5,760)
Income tax expense	(299)	(53)	(299)	(53)
Profit/(Loss) for the period from continuing operations	152,748	(5,813)	152,748	(5,813)
Discontinued Operations				
Profit/(Loss) for the year from discontinued operations	1,794	(1,699)	1,794	(1,699)
Profit/(Loss) for the year	154,542	(7,512)	154,542	(7,512)
Attributable to :				
Equity holders of the parent	154,542	(7,650)	154,542	(7,650)
Minority interest	-	(138)	-	(138)
(Loss)/Profit for the period	154,542	(7,512)	154,542	(7,512)
(Loss)/Earnings per share (sen) :				
- Basic, for profit for the period	135.66	(6.72)	135.66	(6.72)
- 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	155,039	(2,740)	155,039	(2,740)
Gross interest income	1,305	8	1,305	50
Gross interest expense	(2,836)	(3,019)	(2,836)	(3,019)

IREKA CORPORATION BERHAD
Condensed Consolidated Balance Sheet as at 30 June 2007

	Unaudited	Audited
	As At	As At
	30.6.2007	31.3.2007
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	32,745	20,834
Land and development expenditure	-	-
Investment properties	4,272	-
Interest in jointly controlled entities	140	220
Other investments	115,741	5,829
Other intangibles	1,266	12,580
	154,164	39,463
Current assets		
Development properties	9,295	12,186
Inventories	12,087	5,413
Trade and other receivables	231,313	92,465
Amounts due from customers on contracts	10,314	74,827
Amounts due from jointly controlled entities	11,435	11,632
Deposits, cash and cash equivalents	97,377	2,121
	371,821	198,644
Assets of disposal group classified as held for sale	-	672,073
	371,821	870,717
TOTAL ASSETS	525,985	910,180
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	113,915	113,915
Reserves	132,489	41,537
Amount recognised directly in equity relating to assets of disposal group classified as held for sale	-	(16,062)
	246,404	139,390
Minority interests	117	1,044
Total equity	246,521	140,434
Non-current Liabilities		
Borrowings	44,446	42,464
Other payables	-	15,850
Deferred tax liabilities	3,197	3,227
	47,643	61,541
Current liabilities		
Trade and other payables	143,822	141,307
Borrowings	68,204	121,949
Overdrafts	21,302	20,867
Taxation	(1,506)	6,717
	231,822	290,840
Liabilities directly associated with the assets as held for sale	-	417,365
	231,822	708,205
Total liabilities	279,464	769,746
TOTAL EQUITY AND LIABILITIES	525,985	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)	2.16	1.23
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IREKA CORPORATION BERHAD
Condensed Consolidated Statement of Changes in Equity for the Quarter Ended 30 June 2007

	----- Attributable to equity holders of the Company -----						Minority Interests	Unaudited Total Equity
	----- Non-distributable -----			----- Distributable -----				
	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
3 months ended 30.6.2007								
Balance as at 1.4.2007	113,915	21,924	(185)	-	(43,761)	91,893	3,978	95,871
Exchange difference on translation of : - financial statements of overseas subsidiaries	-	-	-	-	-	-	-	-
Dilution of equity shares							(3,860)	(3,860)
Profit for the period	-	-	-	-	154,542	154,542	-	154,542
Transaction costs	-	(32)	-	-	-	(32)	-	(32)
Dividends	-	-	-	-	-	-	-	-
Amount recognised directly in equity relating to assets classified as held for sale	-	-	-	-	-	-	-	-
Balance as at 30.6.2007	113,915	21,892	(185)	-	110,781	246,403	118	246,521

	----- Attributable to equity holders of the Company -----						Minority Interests	Unaudited Total Equity
	----- Non-distributable -----			----- Distributable -----				
	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	Unaudited Total Equity RM'000
3 months ended 30.6.2006								
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	-	-	(21)	-	-	(21)	-	(21)
Loss for the period	-	-	-	-	(5,675)	(5,675)	(138)	(5,813)
Transaction costs	-	(2)	-	-	-	(2)	-	(2)
Dividends	-	-	-	-	-	-	-	-
Amount recognised directly in equity relating to assets classified as held for sale	-	-	-	(1,699)	-	(1,699)	-	(1,699)
Balance as at 30.6.2006 (re-stated)	113,915	21,936	(78)	(17,761)	13,981	131,993	906	132,899

(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 30 June 2007**

	Unaudited	(re-stated) Audited
	Current Year To Date 30.6.2007 RM'000	Preceding Year Corresponding Period 30.6.2006 RM'000
Net cash from operating activities	72,672	55,056
Net cash used in investing activities	(106,010)	(42,116)
Net cash used in financing activities	58,925	(16,335)
Net change in cash and cash equivalents	25,587	(3,395)
Cash and cash equivalents as at beginning of financial period	50,488	(13,406)
Cash and cash equivalents as at end of financial period	76,075	(16,801)

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

Deposits, cash and bank balances	97,377	10,696
Overdrafts	(21,302)	(27,497)
	76,075	(16,801)

(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 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 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 30 June 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 30 June 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 not paid any dividend during the financial period ended 30 June 2007.

A9 Segmental Information

Group revenue and results including share of JVs 3 months ended
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	30.6.2007	30.6.2006
	RM'000	RM'000
Segment Revenue		
Revenue		
Construction	61,544	33,345
Property development	0	2,010
Trading and services	6,087	2,366
Hotel and leisure	211	142
Others	2,002	1,806
Total	69,844	39,669
Elimination of inter-segment sales	(2,000)	(1,806)
Total	67,844	37,863

Segment Results

(Loss)/Profit before taxation		
Construction	(28,053)	(5,492)
Property development	345	439
Trading and services	280	258
Hotel and leisure	(47)	(16)
Others	180,522	(949)
Total	153,047	5,760

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 30.6.2007 RM	Financial Year Ended 31.3.2007 RM
(i) Corporate guarantees for credit facilities granted to the Group	23,039,258	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 30 June 2007.

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

B1 Review of Performance

During the financial period ended 30 June 2007, the Group has completed the disposal of its subsidiaries, Ireka Land and ICSD Ventures, resulting in the results of these two companies being re-classified under “Discontinued Operations”.

After the above re-classifications, the Group has achieved for the financial period ended 30 June 2007 a revenue of RM67.844 million as compared to RM37.863 million for preceding year, representing an increase of about 79%. This was due to a number of construction projects operating at full swing during the financial period under review.

For the financial period ended 30 June 2007, the Group has recorded a profit before tax of RM153.047 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. The latter has been included in “Other Income”.

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

The Group has recorded a higher revenue of RM67.844 million and a pre-tax profit of RM153.047 million in the first quarter of financial year ending 31 March 2008, compared with a revenue of RM63.624 million and a pre-tax loss of RM12.785 million in the preceding quarter. The reasons are 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 working

to secure some projects under the 9th Malaysian Plan and also from ASPL which will further boost the construction turnover. 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 will be retaining 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 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.

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		Cumulative Period	
	3 Months Ended		3 Months Ended	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
	RM’000	RM’000	RM’000	RM’000
Malaysian income tax	299	559	299	559
Overseas taxation	-	-	-	-
Deferred taxation	-	-	-	-
	<u>299</u>	<u>559</u>	<u>299</u>	<u>559</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 losses incurred by certain subsidiaries, mainly the construction subsidiary, and 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 31,884,058 number of shares in ASPL at US1.00 each during the financial period, 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 17,029,565 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 Sales & Purchase Agreement.

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 2007 are as follows:-

	RM'000
(a) Short term borrowings	
<i>Secured :-</i>	
Collateralised Loan Obligation facility	289
Hire Purchase/Leasing	1,510

	1,799
<i>Unsecured :-</i>	
Bank overdraft	21,302
Revolving credit	
41,345	
Trade finance	24,910

	89,356

(b) Long term borrowings	
<i>Secured :-</i>	
Collateralised Loan Obligation facility	40,000
Term loans/Bridging loans	1,873
Hire Purchase/Leasing	2,573

	44,446

(c) Total borrowings	133,802

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 24 August 2007.

B11 Material Litigations

The Group is not engaged in any material litigation as at 24 August 2007.

B12 Dividend

The Board of Directors has 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 3 Months Ended	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
(a) Basic				
Profit/(Loss) for the period attributable to equity holders of the parent (RM'000)	154,542	(5,026)	154,542	(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)	135.66	(4.41)	135.66	(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 August 2007