

IREKA CORPORATION BERHAD
Condensed Consolidated Income Statements for the Quarter Ended 30 June 2008

	Unaudited Current Year Quarter 30.6.2008 RM'000	Audited Preceding Year Corresponding Quarter 30.6.2007 RM'000	Unaudited Current Year To Date 30.6.2008 RM'000	Audited Preceding Year Corresponding Period 30.6.2007 RM'000
Continuing Operations				
Revenue	62,862	67,844	62,862	67,844
Cost of sales	(51,769)	(61,788)	(51,769)	(61,788)
Gross profit	11,093	6,056	11,093	6,056
Other income	134	207,289	134	207,289
Expenses	(6,304)	(58,306)	(6,304)	(58,306)
Profit/(Loss) from operations	4,923	155,039	4,923	155,039
Share of loss after tax of jointly controlled entities	(1)	(461)	(1)	(461)
Finance costs	(1,160)	(1,531)	(1,160)	(1,531)
Profit/(Loss) before tax	3,762	153,047	3,762	153,047
Income tax expense	(805)	(299)	(805)	(299)
Profit/(Loss) for the period from continuing operations	2,957	152,748	2,957	152,748
Discontinued Operations				
Profit/(Loss) for the year from discontinued operations	-	1,794	-	1,794
Profit/(Loss) for the year	2,957	154,542	2,957	154,542
Attributable to :				
Equity holders of the parent	2,957	154,542	2,957	154,542
Minority interest	-	-	-	-
(Loss)/Profit for the period	2,957	154,542	2,957	154,542
(Loss)/Earnings per share (sen) :				
- Basic, for profit for the period	2.60	135.66	2.60	135.66
- 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 2008 and the accompanying explanatory notes attached to the Interim Statements)

Other information:-

Profit from operations	4,923	155,039	4,923	155,039
Gross interest income	2,595	1,305	2,595	1,305
Gross interest expense	3,755	2,836	3,755	2,836

IREKA CORPORATION BERHAD
Condensed Consolidated Balance Sheet as at 30 June 2008

	Unaudited As At 30.6.2008 RM'000	Audited As At 31.3.2008 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	40,681	51,940
Land and development expenditure	10,809	10,809
Investment properties	20,191	4,272
Interest in jointly controlled entities	140	183
Other investments	166,528	150,361
Other intangibles	4,854	-
	<u>243,203</u>	<u>217,565</u>
Current assets		
Development properties	5,458	5,515
Inventories	24,254	13,529
Trade and other receivables	182,262	182,965
Amounts due from customers on contracts	18,218	15,505
Amounts due from jointly controlled entities	11,439	11,396
Deposits, cash and cash equivalents	39,592	73,555
	<u>281,223</u>	<u>302,465</u>
Assets of disposal group classified as held for sale	-	115,789
	<u>281,223</u>	<u>418,254</u>
TOTAL ASSETS	<u>524,426</u>	<u>635,819</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	113,915	113,915
Reserves	125,452	122,511
Amount recognised directly in equity relating to assets of disposal group classified as held for sale	-	(16)
	<u>239,367</u>	<u>236,410</u>
Minority interests	116	116
Total equity	<u>239,483</u>	<u>236,526</u>
Non-current Liabilities		
Borrowings	23,130	31,325
Deferred tax liabilities	3,223	3,223
	<u>26,353</u>	<u>34,548</u>
Current liabilities		
Trade and other payables	158,666	157,176
Borrowings	91,664	86,303
Overdrafts	5,369	-
Taxation	2,891	5,461
	<u>258,590</u>	<u>248,940</u>
Liabilities directly associated with the assets as held for sale	-	115,805
	<u>258,590</u>	<u>364,745</u>
Total liabilities	<u>284,943</u>	<u>399,293</u>
TOTAL EQUITY AND LIABILITIES	<u>524,426</u>	<u>635,819</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2008 and the accompanying explanatory notes attached to the Interim Statements)

Other Information:-

Net assets per share (RM)

2.10

2.08

IREKA CORPORATION BERHAD

Condensed Consolidated Statement of Changes in Equity for the Quarter Ended 30 June 2008

	<----- Attributable to equity holders of the Company ----->						
	<----- Non-distributable----->			<-Distributable->			
	Share Capital RM'000	Share Premium RM'000	Foreign Currency Translation RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Unaudited Total Equity RM'000
3 months ended 30.6.2008							
Balance as at 1.4.2008	113,915	21,892	(185)	100,788	236,410	116	236,526
Exchange difference on translation of :							
- financial statements of overseas subsidiaries	-	-	368	-	368	-	368
Dilution of equity shares	-	-	-	-	-	-	-
Profit for the period	-	-	-	2,589	2,589	-	2,589
Transaction costs	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Balance as at 30.6.2008	113,915	21,892	183	103,377	239,367	116	239,483

	<----- Attributable to equity holders of the Company ----->						
	<----- Non-distributable----->			<-Distributable->			
	Share Capital RM'000	Share Premium RM'000	Foreign Currency Translation RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Unaudited Total Equity 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	-	-	-	-	-	-	-
Balance as at 30.6.2007	113,915	21,892	(185)	110,781	246,403	118	246,521

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2008 and the accompanying explanatory notes attached to the Interim Statements)

IREKA CORPORATION BERHAD**Condensed Consolidated Cash Flow Statement for the Quarter Ended 30 June 2008**

	Unaudited Current Year To Date 30.6.2008 RM'000	Unaudited Preceding Year Corresponding Period 30.6.2007 RM'000
Net cash from operating activities	(19,987)	72,672
Net cash used in investing activities	(24,080)	(106,010)
Net cash used in financing activities	<u>4,910</u>	58,925
Net change in cash and cash equivalents	(39,157)	25,587
Cash and cash equivalents as at beginning of financial period	<u>73,380</u>	50,488
Cash and cash equivalents as at end of financial period	<u><u>34,223</u></u>	<u>76,075</u>

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

Deposits, cash and bank balances	39,592	97,377
Overdrafts	<u>(5,369)</u>	<u>(21,302)</u>
	<u><u>34,223</u></u>	<u>76,075</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2008 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 2008. 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 2008.

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 2008.

A3 Audit Report

The auditors' report on the financial statements for the financial year ended 31 March 2008 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 2008.

A5 Unusual Significant Items

There were no items affecting the assets, liabilities, equity, net income or cash flow of the Group during the financial year ended 30 June 2008 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 2008.

A9 Segmental Information

	Group revenue and results including share of JVs 3 months ended	
	30.6.2008 RM'000	30.6.2007 RM'000
Segment Revenue		
Revenue		
Construction	52,850	61,544
Property development	(685)	0
Property investment	238	0
Trading and services	11,789	6,087
Investment holding and other	2,887	2,213
Total	67,079	69,844
Elimination of inter-segment sales	(4,217)	(2,000)
Total	62,862	67,844
Segment Results		
(Loss)/Profit before taxation		
Construction	2,532	(28,053)
Property development	3	345
Property investment	97	0
Trading and services	1,503	280
Investment holding and other	(373)	180,475
Total	3,762	153,047

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

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.

A13 Contingent Liabilities

(a) Contingent Liabilities

	Financial Quarter Ended 30.6.2008 RM	Financial Year Ended 31.3.2008 RM
(i) Corporate guarantees for credit facilities granted to the Group	112,936,633	136,362,915

The contingent liabilities include corporate guarantees granted to financiers of Ireka Land Sdn Bhd and ICSD Ventures Sdn Bhd totalling RM81.545 million, which are currently in the process of being released.

(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 2008, the Group has achieved a revenue of RM62.862 million as compared to RM67.844 million for same period the preceding year, representing a drop of about 7.3%. This is attributable to a lower volume of construction works done during the period due to completion of a major contract and a new project not commencing yet.

For the financial period ended 30 June 2008, the Group recorded a pre-tax profit for the year of RM3.762 million. The profit margins of construction business continued to be affected by volatile and high prices of construction materials, especially steel bars, during this period.

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

The Group has recorded a lower revenue of RM62.852 million and a pre-tax profit of RM3.762 million in the first quarter of financial year ending 31 March 2009, compared with a revenue of RM80.886 million and a pre-tax loss of RM6.574 million in the preceding quarter. Profit for the quarter is mainly contributed by the construction and property development management subsidiaries.

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 currently working to secure some projects under the 9th Malaysian Plan and from Aseana Properties Limited (“ASPL”). Its current order book stands at about RM950 million, of which about RM760 remain outstanding. However, profit margins of on-going contracts undertaken by construction subsidiary, although still healthy, have been eroded by the recent hike in construction material prices, especially steel bars. Despite the lower profit margins, the Group is still expecting these projects to contribute positively to the results of the Group in the current financial year.

B4 Profit Forecast

The Group did not issue any profit forecast for the financial year ending 31 March 2009.

B5 Taxation

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

	Individual Quarter 3 Months Ended		Cumulative Period 3 Months Ended	
	30.6.2008 RM'000	30.6.2007 RM'000	30.6.2008 RM'000	30.6.2007 RM'000
Malaysian income tax	805	299	805	299
Overseas taxation	-	-	-	-
Deferred taxation	-	-	-	-
	<u>805</u>	<u>299</u>	<u>805</u>	<u>299</u>

The effective tax rate of the Group for the current quarter is lower than the statutory tax rate mainly due to set-off of taxation charge against losses brought forward from prior years.

B6 Unquoted Investments and/or Properties

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

B7 Quoted Investments

The Company had been allotted 722,000 new ordinary shares of KinhBac City Development Shareholding Corporation (“KBC”) at Vietnam Dong (“VND”) 110,000 per share on 10 April 2008 pursuant to a Share Subscription Agreement dated 29 February 2008. As of 20 August 2008, 361,000 bonus and dividend shares were allotted to the Company.

Save for the aforesaid, 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 year under review.

B9 Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2008 are as follows:-

	RM'000
(a) Short term borrowings	
<i>Secured :-</i>	
Project finance	17,663
Hire Purchase/Leasing	2,139

	19,802
<i>Unsecured :-</i>	
Bank overdraft	5,369
Revolving credit	26,081
Trade finance	45,780

	97,032

(b) Long term borrowings	
<i>Secured :-</i>	
Term loan	14,627
Hire Purchase/Leasing	8,504

	23,131s

(c) Total borrowings	120,163
	=====

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 August 2008.

B11 Material Litigations

The Group is not engaged in any material litigation as at 25 August 2008.

B12 Dividend

The Board of Directors has recommended a final dividend of 10% less income tax of 26% for the financial year ended 31 March 2008 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	
	30.6.2008	30.6.2007	30.6.2008	30.6.2007
(a) Basic				
Profit/(Loss) for the period attributable to equity holders of the parent (RM'000)	2,957	154,542	2,957	154,542
Weighted average number of ordinary shares	113,914,700	113,914,700	113,914,700	113,914,700
Basic earnings per share (sen)	2.60	135.66	2.60	135.66
(b) Diluted Earnings	N/A	N/A	N/A	N/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
28 August 2008