

IREKA CORPORATION BERHAD
Condensed Consolidated Income Statements for the Quarter Ended 30 June 2009

| | Unaudited Current Year Quarter 30.6.2009 RM'000 | Unaudited Preceding Year Corresponding Quarter 30.6.2008 RM'000 | Unaudited Current Year To Date 30.6.2009 RM'000 | Unaudited Preceding Year Corresponding Period 30.6.2008 RM'000 |
|---|---|--|---|---|
| CONTINUING OPERATIONS | | | | |
| Revenue | 85,602 | 62,862 | 85,602 | 62,862 |
| Cost of sales | (73,319) | (51,769) | (73,319) | (51,769) |
| Gross profit | 12,283 | 11,093 | 12,283 | 11,093 |
| Other income | 454 | 134 | 454 | 134 |
| Expenses | (7,675) | (6,304) | (7,675) | (6,304) |
| Profit/(Loss) from operations | 5,062 | 4,923 | 5,062 | 4,923 |
| Share of profit/(loss) after tax of jointly controlled entities | (4) | (1) | (4) | (1) |
| Finance costs | (1,569) | (1,160) | (1,569) | (1,160) |
| Profit/(Loss) before tax | 3,489 | 3,762 | 3,489 | 3,762 |
| Income tax expense | (20) | (805) | (20) | (805) |
| | 3,469 | 2,957 | 3,469 | 2,957 |
| DISCONTINUED OPERATION | | | | |
| Loss/(Profit) for the year from discontinued operation | - | - | - | - |
| Profit/(Loss) for the period | 3,469 | 2,957 | 3,469 | 2,957 |
| Attributable to : | | | | |
| Equity holders of the parent | 3,469 | 2,957 | 3,469 | 2,957 |
| Minority interest | - | - | - | - |
| Profit/(Loss) for the period | 3,469 | 2,957 | 3,469 | 2,957 |
| Earnings/(Loss) per share (sen) : | | | | |
| - Basic, for profit for the period | 3.04 | 2.60 | 3.04 | 2.60 |
| - 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 2009 and the accompanying explanatory notes attached to the Interim Statements)

Other information:-

| | | | | |
|------------------------|-------|-------|--------|-------|
| Profit from operations | 5,674 | 4,923 | 12,401 | 4,923 |
| Gross interest income | 104 | 2,595 | 104 | 2,595 |
| Gross interest expense | 1,673 | 3,755 | 1,673 | 3,755 |

IREKA CORPORATION BERHAD**Condensed Consolidated Balance Sheet as at 30 June 2009**

| | Unaudited As At 30.6.2009 RM'000 | Audited As At 31.3.2009 RM'000 |
|--|---|---|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 66,493 | 65,021 |
| Land and development expenditure | 10,819 | 10,819 |
| Investment properties | 4,272 | 4,272 |
| Interest in jointly controlled entities | 140 | 185 |
| Other investments | 185,080 | 185,698 |
| Other intangibles | 1,023 | - |
| | <u>267,827</u> | <u>265,995</u> |
| Current assets | | |
| Development properties | 3,412 | 3,253 |
| Inventories | 13,163 | 14,424 |
| Trade and other receivables | 176,589 | 144,135 |
| Amounts due from customers on contracts | 26,075 | 31,328 |
| Amounts due from jointly controlled entities | 11,536 | 11,422 |
| Deposits, cash and cash equivalents | 36,437 | 27,139 |
| | <u>267,212</u> | <u>231,701</u> |
| TOTAL ASSETS | <u>535,039</u> | <u>497,696</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the parent | | |
| Share capital | 113,915 | 113,915 |
| Reserves | 123,550 | 120,086 |
| | <u>237,465</u> | <u>234,001</u> |
| Minority interests | - | - |
| Total equity | <u>237,465</u> | <u>234,001</u> |
| Non-current Liabilities | | |
| Borrowings | 26,718 | 37,695 |
| Deferred tax liabilities | 3,253 | 3,252 |
| | <u>29,971</u> | <u>40,947</u> |
| Current liabilities | | |
| Trade and other payables | 150,221 | 149,410 |
| Borrowings | 91,359 | 71,530 |
| Overdrafts | 26,023 | - |
| Taxation | - | 1,808 |
| | <u>267,603</u> | <u>222,748</u> |
| Total liabilities | <u>297,574</u> | <u>263,695</u> |
| TOTAL EQUITY AND LIABILITIES | <u>535,039</u> | <u>497,696</u> |

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the Interim Statements)

Other Information:-

| | | |
|---------------------------|------|------|
| Net assets per share (RM) | 2.08 | 2.05 |
|---------------------------|------|------|

IREKA CORPORATION BERHAD
Condensed Consolidated Statement of Changes in Equity for the Quarter Ended 30 June 2009

| | Attributable to equity holders of the Company | | Non-distributable | | Minority Interests | Unaudited Total Equity |
|---|---|---------------|------------------------------|------------------|--------------------|------------------------|
| | Share Capital | Share Premium | Foreign Currency Translation | Retained Profits | Total | RM'000 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 3 months ended 30.6.2009 (Unaudited) | | | | | | |
| Balance as at 1.4.2009 | 113,915 | 21,876 | (185) | 98,395 | 234,001 | 234,001 |
| Exchange difference on translation of:- | | | | | | |
| - financial statements of overseas subsidiaries | - | - | - | - | - | - |
| Profit for the period | - | - | - | 3,469 | 3,469 | 3,469 |
| Transaction costs | - | (5) | - | - | (5) | (5) |
| Dividends | - | - | - | - | - | - |
| Balance as at 30.6.2009 | 113,915 | 21,871 | (185) | 101,864 | 237,465 | 237,465 |

| | Attributable to equity holders of the Company | | Non-distributable | | Minority Interests | Unaudited Total Equity |
|---|---|---------------|------------------------------|------------------|--------------------|------------------------|
| | Share Capital | Share Premium | Foreign Currency Translation | Retained Profits | Total | RM'000 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 3 months ended 30.6.2008 (Unaudited) | | | | | | |
| Balance as at 1.4.2008 | 113,915 | 21,892 | (185) | 100,788 | 236,410 | 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 | 239,483 |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the Interim Statements)

IREKA CORPORATION BERHAD**Condensed Consolidated Cash Flow Statement for the Quarter Ended 30 June 2009**

| | Unaudited Current Year To Date 30.6.2009 RM'000 | Unaudited Preceding Year Corresponding Period 30.6.2008 RM'000 |
|---|--|---|
| Net cash from operating activities | (14,087) | (19,987) |
| Net cash used in investing activities | (7,095) | (24,080) |
| Net cash used in financing activities | <u>22,637</u> | 4,910 |
| Net change in cash and cash equivalents | 1,455 | (39,157) |
| Cash and cash equivalents as at beginning of financial period | <u>8,959</u> | 73,380 |
| Cash and cash equivalents as at end of financial period | <u>10,414</u> | <u>34,223</u> |

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

| | | |
|----------------------------------|---------------|---------------|
| Deposits, cash and bank balances | 1,455 | 39,592 |
| Overdrafts | <u>8,959</u> | (5,369) |
| | <u>10,414</u> | <u>34,223</u> |

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2009 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 2009. 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 2009.

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 2009.

A3 Audit Report

The auditors' report on the financial statements for the financial year ended 31 March 2009 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 2009.

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 2009 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 2009.

A9 Segmental Information

| | Group revenue and results including share of JVs | |
|-------------------------------------|---|------------------|
| | 3 months ended | |
| | 30.6.2009 | 30.6.2008 |
| | RM'000 | RM'000 |
| Segment Revenue | | |
| Revenue | | |
| Construction | 80,483 | 52,850 |
| Property development | - | (685) |
| Property investment | 236 | 238 |
| Trading and services | 5,036 | 11,789 |
| Investment holding and other | 2,964 | 2,887 |
| Total | 88,719 | 67,079 |
| Elimination of inter-segment sales | (3,117) | (4,217) |
| Total | 85,602 | 62,862 |
| Segment Results | | |
| Profit/(Loss) before taxation | | |
| Construction | 4,299 | (2,532) |
| Property development | (46) | 3 |
| Property investment | 45 | (97) |
| Trading and services | (419) | 1,503 |
| Investment holding and other | (391) | (373) |
| Total | 3,488 | 3,762 |
| Elimination of inter-segment profit | - | - |
| Total | 3,488 | 3,762 |

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 year 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 30.6.2009 RM | Financial Year Ended 31.3.2009 RM |
|---|---|--|
| (i) Corporate guarantees for credit facilities granted to the Group | 41,011,086 | 15,487,336 |
| (ii) Claims by former lorry subcontractors pertaining to deposits forfeited | 843,395 | 843,395 |

(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 2009, the Group has achieved higher revenue of RM85.602 million as compared to RM62.862 million for same period in the preceding year. This is mainly due to higher volume of construction works being completed during the period.

For the financial period ended 30 June 2009, the Group has recorded a lower pre-tax profit of RM3.469 million as compared to RM3.762 million in the previous year corresponding period. The lower prices for steel bars and other construction materials have contributed to better profit margins for current construction projects, but this is offset by the poorer results recorded by the property development management subsidiary due to lower management and consultancy fees earned during the period.

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

The Group has recorded higher revenue of RM85.602 million in the first quarter of financial year ended 31 March 2010, compared with RM76.212 million in the preceding quarter, but a lower pre-tax profit of RM3.469 million, compared to RM4.147 million in the last quarter. The change is mainly attributable to lower fee income earned by the property development management subsidiary as explained in Note B1 above.

B3 Prospects for the Current Financial Year

On the construction front, basing on existing works on hand, the Board expects turnover to increase in the current financial year, As at end July 2009, the Group's order book stood at about RM1.14 billion, of which about RM 650 million remained outstanding. Barring any unforeseeable significant increase in the prices of construction materials, the Company expects the on-going projects to continue to contribute positively to the results of the Group in the future.

On the front of property development management, the Board expects the management fee income to continue declining, in line with the lower Net Tangible Assets of Aseana Properties Limited ("ASPL"). The current global economic crisis has adversely affected the real estate markets in Malaysia and Vietnam, the two countries where ASPL operates in, although directors expect the condition in both markets to improve going forward.

B4 Profit Forecast

The Group did not issue any profit forecast for the financial year ending 31 March 2010.

B5 Taxation

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

| | Individual Quarter 3 Months Ended | | Cumulative Period 3 Months Ended | |
|----------------------|--------------------------------------|---------------------|-------------------------------------|---------------------|
| | 30.6.2009 RM'000 | 30.6.2008 RM'000 | 30.6.2009 RM'000 | 30.6.2008 RM'000 |
| Malaysian income tax | 20 | 805 | 20 | 805 |
| Overseas taxation | - | - | - | - |
| Deferred taxation | - | - | - | - |
| | <u>20</u> | <u>805</u> | <u>20</u> | <u>805</u> |

The effective tax rates of the Group for the current quarter and for the year-to-date are lower than the statutory tax rate due to utilisation of tax losses brought forward by a subsidiary.

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 in 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. On 20 August 2008, 361,000 bonus and dividend shares were allotted to the Company. On 14 January 2009, KBC's shareholders have approved a 2:1 bonus share/dividend payout to shareholders and that 541,500 bonus shares were allotted in July 2009. As of to-date, the Company holds 1,624,500 ordinary shares in KBC.

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 period under review.

B9 Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2009 are as follows:-

| | RM'000 |
|---------------------------|---------|
| (a) Short term borrowings | |
| <i>Secured :-</i> | |
| Project loans | 19,744 |
| Hire Purchase/Leasing | 4,721 |
| Trade finance | 39,146 |
| Bank overdraft | 24,426 |
| Revolving credit | 24,748 |
| | ----- |
| | 112,785 |
| <i>Unsecured :</i> | |
| Bank overdraft | 1,597 |
| Revolving credit | 3,000 |
| | ----- |
| | 117,382 |
| | ----- |
| (b) Long term borrowings | |
| <i>Secured :-</i> | |
| Term loan | 15,887 |
| Hire Purchase/Leasing | 10,831 |
| | ----- |
| | 26,718 |
| | ----- |
| (c) Total borrowings | 144,100 |
| | ===== |

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 2009.

B11 Material Litigations

The Group is not engaged in any material litigation as at 24 August 2009.

B12 Dividend

The Board of Directors has recommended a final dividend of 4.35% net per share comprising franked dividend of 2.6% less 25% taxation and single tier dividend of 2.4% for approval by shareholders of the Company at the forthcoming Annual General Meeting.

B13 Earnings Per Share

| | Individual Quarter | | Cumulative Period | |
|---|--------------------|-------------|-------------------|-------------|
| | 3 Months Ended | | 3 Months Ended | |
| | 30.6.2009 | 30.6.2008 | 30.6.2009 | 30.6.2008 |
| (a) Basic | | | | |
| Profit for the period attributable to equity holders of the parent (RM'000) | 3,469 | (6,128) | 3,469 | 157,594 |
| Weighted average number of ordinary shares | 113,914,700 | 113,914,700 | 113,914,700 | 113,914,700 |
| Basic earnings per share (sen) | 3.04 | (5.38) | 3.04 | 138.34 |
| (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
27 August 2009