

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

	Unaudited Current Year Quarter 30.9.2007 RM'000	(re-stated) Audited Preceding Year Corresponding Quarter 30.9.2006 RM'000	Unaudited Current Year To Date 30.9.2007 RM'000	(re-stated) Audited Preceding Year Corresponding Period 30.9.2006 RM'000
Continuing Operations				
Revenue	91,929	49,038	159,773	86,901
Cost of sales	(80,900)	(50,781)	(142,688)	(88,611)
Gross profit	11,029	(1,743)	17,085	(1,710)
Other income	4,644	980	211,933	1,618
Expenses	(6,151)	(3,716)	(64,457)	(7,128)
Profit/(Loss) from operations	9,522	(4,479)	164,561	(7,220)
Share of profit/(loss) after tax of jointly controlled entities	22	(1)	(439)	(2)
Finance costs	(4,259)	(3,754)	(5,790)	(6,773)
Profit/(Loss) before tax	5,285	(8,234)	158,332	(13,995)
Income tax expense	(891)	(18)	(1,190)	(71)
Profit/(Loss) for the period from continuing operation:	4,394	(8,252)	157,142	(14,066)
Discontinued Operations				
Profit/(Loss) for the year from discontinued operation:	-	798	1,794	(901)
Profit/(Loss) for the year	4,394	(7,454)	158,936	(14,967)
Attributable to :				
Equity holders of the parent	4,394	(8,390)	158,936	(14,816)
Minority interest	-	138	-	(151)
(Loss)/Profit for the period	4,394	(8,252)	158,936	(14,967)
(Loss)/Earnings per share (sen) :				
- Basic, for profit for the period	3.86	(7.37)	139.52	(13.01)
- 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	9,522	(4,479)	164,561	(7,220)
Gross interest income	376	64	1,681	73
Gross interest expense	4,635	3,754	7,471	6,773

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

	Unaudited As At 30.9.2007 RM'000	Audited As At 31.3.2007 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	32,793	20,834
Land and development expenditure	1,080	-
Investment properties	9,009	-
Interest in jointly controlled entities	140	220
Other investments	115,742	5,829
Other intangibles	2,152	12,580
	160,916	39,463
Current assets		
Development properties	10,150	12,186
Inventories	9,431	5,413
Trade and other receivables	240,466	92,465
Amounts due from customers on contracts	11,675	74,827
Amounts due from jointly controlled entities	11,479	11,632
Deposits, cash and cash equivalents	109,954	2,121
	393,155	198,644
Assets of disposal group classified as held for sale	-	672,073
	393,155	870,717
TOTAL ASSETS	554,071	910,180
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	113,915	113,915
Reserves	136,883	41,537
Amount recognised directly in equity relating to assets of disposal group classified as held for sale	-	(16,062)
	250,798	139,390
Minority interests	117	1,044
Total equity	250,915	140,434
Non-current Liabilities		
Borrowings	44,102	42,464
Other payables	-	15,850
Deferred tax liabilities	3,625	3,227
	47,727	61,541
Current liabilities		
Trade and other payables	172,925	141,307
	55,443	121,949
Overdrafts	28,699	20,867
Taxation	(1,639)	6,717
	255,428	290,840
Liabilities directly associated with the assets as held for sale	-	417,365
	255,428	708,205
Total liabilities	303,156	769,746
TOTAL EQUITY AND LIABILITIES	554,070	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)	2.20	1.23
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IREKA CORPORATION BERHAD

Condensed Consolidated Statement of Changes in Equity for the Quarter Ended 30 September 2007

<----- Attributable to equity holders of the Company ----->
 <----- Non-distributable-----<-Distributable->

	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Unaudited Total Equity RM'000
6 months ended 30.9.2007							
Balance as at 1.4.2007	113,915	21,924	(185)	(43,760)	91,894	3,977	95,871
Exchange difference on translation of :							
- financial statements of overseas subsidiaries	-	-	-	-	-	-	-
Dilution of equity shares						(3,860)	(3,860)
Profit for the period	-	-	-	158,936	158,936	-	158,936
Transaction costs	-	(32)	-	-	(32)	-	(32)
Dividends	-	-	-	-	-	-	-
Balance as at 30.9.2007	113,915	21,892	(185)	115,176	250,798	117	250,915

<----- Attributable to equity holders of the Company ----->
 <----- Non-distributable-----<-Distributable->

	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Unaudited Total Equity RM'000
6 months ended 30.9.2006							
Balance as at 1.4.2006 (re-stated)	113,915	21,938	(57)	3,594	139,390	1,044	140,434
Exchange difference on translation of :							
- financial statements of overseas subsidiaries	-	-	(15)	-	(15)	-	(15)
Loss for the period	-	-	-	(14,967)	(14,967)	151	(14,816)
Transaction costs	-	(12)	-	-	(12)	-	(12)
Dividends	-	-	-	-	-	-	-
Balance as at 30.9.2006 (re-stated)	113,915	21,926	(72)	(11,373)	124,396	1,195	125,591

(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 September 2007**

	Unaudited	(re-stated)
	Current Year	Audited
	To Date	Preceding Year
	30.9.2007	Corresponding
	RM'000	Period
		30.9.2006
		RM'000
Net cash from operating activities	78,273	67,027
Net cash used in investing activities	(101,949)	(71,599)
Net cash used in financing activities	54,443	(87)
Net change in cash and cash equivalents	30,767	(4,659)
Cash and cash equivalents as at beginning of financial period	50,488	(15,350)
Cash and cash equivalents as at end of financial period	81,255	(20,009)

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

Deposits, cash and bank balances	109,954	13,875
Overdrafts	(28,699)	(33,884)
	81,255	(20,009)

(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 September 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 September 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 September 2007.

A9 Segmental Information

	Group revenue and results including share of JVs 6 months ended	
	30.9.2007 RM'000	30.9.2006 RM'000
Segment Revenue		
Revenue		
Construction	145,131	79,108
Property development	495	2,230
Trading and services	14,145	5,563
Others	4,002	3,616
Total	163,773	90,517
Elimination of inter-segment sales	(4,000)	(3,616)
Total	159,773	86,901
Segment Results		
(Loss)/Profit before taxation		
Construction	(22,659)	(12,450)
Property development	253	245
Trading and services	1,824	142
Others	178,915	(1,932)
Total	158,333	(13,995)

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 30.9.2007 RM	Financial Year Ended 31.3.2007 RM
(i) Corporate guarantees for credit facilities granted to the Group	33,569,258	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 September 2007.

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

B1 Review of Performance

On 15 May 2007, the Group has completed the disposal of its subsidiaries, Ireka Land and ICSD Ventures, resulting in the results of these two companies to date of disposal being classified under “Discontinued Operations”.

Excluding the two disposed subsidiaries above, the Group has achieved for the financial period ended 30 September 2007 a revenue of RM159.773 million as compared to RM86.901 million for preceding year, representing an increase of about 84%. 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 September 2007, the Group has recorded a profit before tax of RM158.332 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 RM91.929 million and a pre-tax profit of RM5.285 million in the second quarter of financial year ending 31 March 2008, compared with a revenue of RM67.844 million and a pre-tax loss of RM153.047 million in the preceding quarter. Most of the profit for the quarter is contributed by Ireka Engineering & Construction Sdn Bhd and Ireka Development Management Sdn Bhd.

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 working to secure some projects under the 9th Malaysian Plan and also from ASPL which will further boost the construction order book. 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 has retained a 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 3 Months Ended		Cumulative Period 6 Months Ended	
	30.9.2007 RM’000	30.9.2006 RM’000	30.9.2007 RM’000	30.9.2006 RM’000
Malaysian income tax	891	18	1,190	71
Overseas taxation	-	-	-	-
Deferred taxation	-	-	-	-
	<u>891</u>	<u>18</u>	<u>1,190</u>	<u>71</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 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 Acquisition 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 September 2007 are as follows:-

	RM'000
(a) Short term borrowings	
<i>Secured :-</i>	
Collateralised Loan Obligation facility	1,096
Hire Purchase/Leasing	1,635

	2,731
<i>Unsecured :-</i>	
Bank overdraft	28,699
Revolving credit	27,496
Trade finance	25,074

	84,000

(b) Long term borrowings	
<i>Secured :-</i>	
Collateralised Loan Obligation facility	40,000
Term loans/Bridging loans	1,605
Hire Purchase/Leasing	2,497

	44,102

(c) Total borrowings	128,102

All bank borrowings of the Group are denominated in Malaysian Ringgit.

On 26 November 2007, the Company has fully settled the above Collateralised Loan Obligation facility of principal amount RM40,000,000.00 and interest amount RM1,604,383.56.

B10 Off-Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at 26 November 2007.

B11 Material Litigations

The Group is not engaged in any material litigation as at 26 November 2007.

B12 Dividend

The Board of Directors has approved an interim dividend of 10% per share less income tax of 27% for the financial year ending 31 March 2008. This dividend payment was made on 9 October 2007 to the shareholders whose names appear on the Record of Depositors at the close of business on 27 September 2007.

B13 Earnings Per Share

	Individual Quarter		Cumulative Period	
	3 Months Ended		6 Months Ended	
	30.9.2007	30.9.2006	30.9.2007	30.9.2006
(a) Basic				
Profit/(Loss) for the period attributable to equity holders of the parent (RM'000)	4,394	(8,390)	158,936	(14,816)
Weighted average number of ordinary shares	113,914,700	113,914,700	113,914,700	113,914,700
Basic earnings per share (sen)	3.86	(7.37)	139.52	(13.01)

(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
28 November 2007