

IREKA CORPORATION BERHAD

Condensed Consolidated Income Statements for the Quarter Ended 30 September 2009

	Unaudited Current Year Quarter 30.9.2009 RM'000	Unaudited Preceding Year Corresponding Quarter 30.9.2008 RM'000	Unaudited Current Year To Date 30.9.2009 RM'000	Unaudited Preceding Year Corresponding Period 30.9.2008 RM'000
CONTINUING OPERATIONS				
Revenue	89,008	88,790	174,610	151,652
Cost of sales	(77,860)	(85,538)	(151,179)	(137,307)
Gross profit	11,148	3,252	23,431	14,345
Other income	573	176	1,027	310
Expenses	(7,718)	(6,319)	(15,393)	(12,623)
Profit/(Loss) from operations	4,003	(2,891)	9,065	2,032
Share of profit/(loss) after tax of jointly controlled entities	(15)	(4)	(19)	(5)
Finance costs	(1,688)	(1,578)	(3,257)	(2,738)
Profit/(Loss) before tax	2,300	(4,473)	5,789	(711)
Income tax expense	(165)	363	(185)	(442)
	2,135	(4,110)	5,604	(1,153)
DISCONTINUED OPERATION				
Loss/(Profit) for the year from discontinued operation	-	-	-	-
Profit/(Loss) for the period	2,135	(4,110)	5,604	(1,153)
Attributable to :				
Equity holders of the parent	2,135	(4,110)	5,604	(1,153)
Minority interest	-	-	-	-
Profit/(Loss) for the period	2,135	(4,110)	5,604	(1,153)
Earnings/(Loss) per share (sen) :				
- Basic, for profit for the period	1.87	(3.61)	4.92	(1.01)
- 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 2009 and the accompanying explanatory notes attached to the Interim Statements)

Other information:-

Profit from operations	4,003	(2,891)	9,065	2,032
Gross interest income	10	3,064	114	5,659
Gross interest expense	1,698	4,642	3,371	8,397

IREKA CORPORATION BERHAD

Condensed Consolidated Balance Sheet as at 30 September 2009

	Unaudited As At 30.9.2009 RM'000	Audited As At 31.3.2009 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	67,712	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	184,866	185,698
Other intangibles	958	-
	<u>268,767</u>	<u>265,995</u>
Current assets		
Development properties	3,443	3,253
Inventories	13,680	14,424
Trade and other receivables	183,704	144,135
Amounts due from customers on contracts	29,144	31,328
Amounts due from jointly controlled entities	11,547	11,422
Deposits, cash and cash equivalents	46,127	27,139
	<u>287,645</u>	<u>231,701</u>
TOTAL ASSETS	<u>556,412</u>	<u>497,696</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	113,915	113,915
Reserves	125,728	120,086
	<u>239,643</u>	<u>234,001</u>
Minority interests	-	-
Total equity	<u>239,643</u>	<u>234,001</u>
Non-current Liabilities		
Borrowings	26,440	37,695
Deferred tax liabilities	3,252	3,252
	<u>29,692</u>	<u>40,947</u>
Current liabilities		
Trade and other payables	151,749	149,410
Borrowings	98,454	71,530
Overdrafts	36,874	-
Taxation	-	1,808
	<u>287,077</u>	<u>222,748</u>
Total liabilities	<u>316,769</u>	<u>263,695</u>
TOTAL EQUITY AND LIABILITIES	<u>556,412</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)	2.10	2.05
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IREKA CORPORATION BERHAD

Condensed Consolidated Statement of Changes in Equity for the Quarter Ended 30 September 2009

<----- 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
6 months ended 30.9.2009 (Unaudited)							
Balance as at 1.4.2009	113,915	21,876	(185)	98,395	234,001	-	234,001
Disposal of subsidiary	-	-	-	43	43	-	43
Profit for the period	-	-	-	5,604	5,604	-	5,604
Transaction costs	-	(5)	-	-	(5)	-	(5)
Dividends	-	-	-	-	-	-	-
Balance as at 30.9.2009	113,915	21,871	(185)	104,042	239,643	-	239,643

<----- 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
6 months ended 30.9.2008 (Unaudited)							
Balance as at 1.4.2008	113,915	21,892	(185)	100,788	236,410	116	236,526
Profit for the period	-	-	-	(1,153)	(1,153)	-	(1,153)
Transaction costs	-	(15)	-	-	(15)	-	(15)
Dividends	-	-	-	-	-	-	-
Balance as at 30.9.2008	113,915	21,877	(185)	99,635	235,242	116	235,358

(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 September 2009**

	Unaudited Current Year To Date 30.9.2009 RM'000	Unaudited Preceding Year Corresponding Period 30.9.2008 RM'000
Net cash from operating activities	(21,969)	(27,265)
Net cash used in investing activities	(6,152)	(10,167)
Net cash used in financing activities	28,415	20,125
Net change in cash and cash equivalents	294	(17,307)
Cash and cash equivalents as at beginning of financial period	8,959	57,554
Cash and cash equivalents as at end of financial period	9,253	40,247

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

Deposits, cash and bank balances	46,127	43,198
Overdrafts	(36,874)	(2,951)
	9,253	40,247

(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 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 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 September 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 September 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 current financial quarter ended 30 September 2009.

At the Company's Annual General Meeting held on 29 September 2009, the shareholders have approved the declaration of 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%. Payment to entitled shareholders was made on 5 November 2009.

A9 Segmental Information

	Group revenue and results including Share of JVs	
	6 months ended	
	30.9.2009	30.9.2008
	RM'000	RM'000
Segment Revenue		
Revenue		
Construction	162,820	134,130
Property development	-	99
Property investment	471	488
Trading and services	11,352	18,158
Investment holding and other	6,042	5,719
Total	180,685	158,594
Elimination of inter-segment sales	(6,075)	(6,942)
Total	174,610	151,652
Segment Results		
Profit/(Loss) before taxation		
Construction	6,912	(952)
Property development	(90)	(164)
Property investment	(15)	70
Trading and services	36	1,235
Investment holding and other	(1,054)	(900)
	5,789	(711)
Elimination of inter-segment profit	-	-
Total	5,789	(711)

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 30.9.2009 RM	Financial Year Ended 31.3.2009 RM
(i) Corporate guarantees for credit facilities granted to the Group	50,910,217	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 September 2009, the Group has achieved higher revenue of RM174.610 million as compared to RM151.652 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 September 2009, the Group has recorded a pre-tax profit of RM5.789 million as compared to a pre-tax loss of RM771,000 in the previous year corresponding period. The lower prices for steel bars and other construction materials during the period have contributed to better profit margins for current construction projects.

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

The Group has recorded higher revenue of RM89.008 million in the second quarter of financial year ending 31 March 2010, compared with RM85.602 million in the preceding quarter, but a lower pre-tax profit of RM2.300 million, compared to RM3.469 million in the last quarter. The drop in profit is mainly due to losses arising from translation of overseas subsidiaries and also currency exchange losses.

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 October 2009, the Group's order book stood at about RM1.02 billion, of which about RM610 million remained outstanding. Barring any unforeseen 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.

The Board expects the management fee income from property development management to continue declining, due to the lower Net Tangible Assets of Aseana Properties Limited ("ASPL"). The current global economic crisis has affected the performance of 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		Cumulative Period	
	3 Months Ended		6 Months Ended	
	30.9.2009	30.9.2008	30.9.2009	30.9.2008
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	165	(363)	185	442
Overseas taxation	-	-	-	-
Deferred taxation	-	-	-	-
	165	(363)	185	442

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 the Company and 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 had been allotted 722,000 new ordinary shares in Kinh Bac 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 at 30 September 2009, the Company held 1,624,500 ordinary shares in KBC.

During October and to-date, the Company has disposed off 500,000 number of shares in KBC at an average net price of about VND73,800 per share, leaving a balance of 1,124,500 shares. 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 September 2009 are as follows:-

	RM'000
(a) Short term borrowings	
<i>Secured :-</i>	
Project loans	29,551
Hire Purchase/Leasing	3,946
Trade finance	37,660
Bank overdraft	35,023
Revolving credit	24,297

	130,477
<i>Unsecured :</i>	
Bank overdraft	1,851
Revolving credit	3,000

	135,328

(b) Long term borrowings	
<i>Secured :-</i>	
Term loan	15,609
Hire Purchase/Leasing	10,831

	26,440

(c) Total borrowings	161,768
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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 23 November 2009.

B11 Material Litigations

The Group is not engaged in any material litigation as at 23 November 2009.

B12 Dividend Proposed

The Board of Directors do not propose any payment of dividend for the current financial quarter ended 30 September 2009.

B13 Earnings Per Share

	Individual Quarter		Cumulative Period	
	6 Months Ended		6 Months Ended	
	30.9.2009	30.9.2008	30.9.2009	30.9.2008
(a) Basic				
Profit for the period attributable to equity holders of the parent (RM'000)	2,135	(4,110)	5,604	(1,153)
Weighted average number of ordinary shares	113,914,700	113,914,700	113,914,700	113,914,700
Basic earnings per share (sen)	1.87	(3.61)	4.92	(1.01)
(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
26 November 2009