

Ireka expects to be back in the black for current financial year

BY **PREMALATHA JAYARAMAN**
sunbiz@thesundaily.com

KUALA LUMPUR: Ireka Corp Bhd, which has been making losses for the last three years, expects to be back in the black in the current financial year ending March 31, 2015.

The company is optimistic of stronger contribution from the construction segment as it is actively tendering for projects

worth RM2 billion, said executive director Monica Lai Voon Huey.

“For the last three years, Ireka has recorded losses because of the drop in construction turnover. I think in the later part of last year, we managed to secure lots of projects (construction),” she told reporters after the company’s AGM here Friday.

Lai said the company’s order book stands at RM1.2 billion, with

RM810 million outstanding.

She said Ireka, through its infrastructure arm, Ireka Engineering and Construction Sdn Bhd, hopes to secure at least two of the projects it is bidding for.

For the financial year ended March 31, 2014, Ireka’s net loss narrowed to RM28.351 million from RM37.422 million a year earlier while revenue fell to RM289.232 million from RM331.796 million.

“Going forward, we should see Ireka’s turnover improving,” Lai said.

She said the company expects earnings contribution from the property and the construction segments to be 50:50 by the financial year ending March 31, 2017, from 20:80 currently.

On the property front, Lai said the company is constantly on the lookout for land, mainly in the Klang Valley. Its landbank stands at

65 acres with a gross development value of RM2 billion, which will last between three and five years.

Ireka hopes to launch two projects by the end of this year, Lai said. They are the 382 courtyard-style apartments, dwi@Rimbun Kasia (GDV RM130 million), and, an industrial office and warehouse development, ASTA Enterprise Park (GDV RM350 million), in Kajang.