

## Condensed Consolidated Statement of Comprehensive Income for the financial period ended 30 June 2012

	Unaudited Current Year Quarter 30.6.2012 RM'000	Unaudited Preceding Year Corresponding Quarter 30.6.2011 RM'000	Unaudited Current Year To Date 30.6.2012 RM'000	Unaudited Preceding Year Corresponding Period 30.6.2011 RM'000
<b>Revenue</b>	<b>110,363</b>	99,036	<b>110,363</b>	99,036
Cost of sales	<b>(96,746)</b>	(88,142)	<b>(96,746)</b>	(88,142)
<b>Gross profit</b>	<b>13,617</b>	10,894	<b>13,617</b>	10,894
Other income	<b>1,137</b>	1,860	<b>1,137</b>	1,860
Expenses	<b>(7,633)</b>	(9,386)	<b>(7,633)</b>	(9,386)
<b>Operating profit</b>	<b>7,121</b>	3,368	<b>7,121</b>	3,368
Finance costs	<b>(1,941)</b>	(2,507)	<b>(1,941)</b>	(2,507)
Share of results of associates	<b>(3,233)</b>	7,004	<b>(3,233)</b>	7,004
Share of results of jointly controlled entity	-	(4)	-	(4)
<b>Profit before tax</b>	<b>1,947</b>	7,861	<b>1,947</b>	7,861
Income tax expense	<b>(804)</b>	(410)	<b>(804)</b>	(410)
<b>Profit for the period</b>	<b>1,143</b>	7,451	<b>1,143</b>	7,451
<b>Other comprehensive (loss)/income:-</b>				
Currency translation differences	<b>(50)</b>	22	<b>(50)</b>	22
<b>Total comprehensive income for the period</b>	<b>1,093</b>	7,473	<b>1,093</b>	7,473
<b>Profit attributable to:-</b>				
Owners of the Company	<b>1,143</b>	7,451	<b>1,143</b>	7,451
Non-controlling interest	-	-	-	-
	<b>1,143</b>	7,451	<b>1,143</b>	7,451
<b>Total comprehensive income attributable to:-</b>				
Owners of the Company	<b>1,093</b>	7,473	<b>1,093</b>	7,473
Non-controlling interest	-	-	-	-
	<b>1,093</b>	7,473	<b>1,093</b>	7,473
<b>Earnings per share attributable to owners of Company:-</b>				
- basic (sen)	<b>1.00</b>	6.54	<b>1.00</b>	6.54
- diluted (sen)	<b>N/A</b>	N/A	<b>N/A</b>	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the Interim Statements)

**Other information:-**

Operating profit	<b>7,121</b>	3,368	<b>7,121</b>	3,368
Gross interest income	<b>209</b>	232	<b>209</b>	232
Gross interest expense	<b>1,941</b>	2,507	<b>1,941</b>	2,507

**IREKA CORPORATION BERHAD** (Company No. 25882-A)**Condensed Consolidated Statement of Financial Position as at 30 June 2012**

	Unaudited As At 30.6.2012 RM'000	Audited As At 31.3.2012 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	56,000	55,732
Investment properties	25,167	25,162
Investment in associates	165,302	168,535
Investment in jointly controlled entity	-	-
Other investments	2,384	2,710
Land held for property development	37,555	37,047
	<u>286,408</u>	<u>289,186</u>
<b>Current assets</b>		
Property development costs	25,967	25,552
Inventories	11,967	11,042
Trade and other receivables	185,094	192,253
Amounts due from customers on contracts	21,467	24,063
Amounts due from jointly controlled entity	-	-
Amounts due from associates	12,491	11,516
Cash and cash equivalents	31,407	40,185
	<u>288,393</u>	<u>304,611</u>
<b>TOTAL ASSETS</b>	<u>574,801</u>	<u>593,797</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	113,915	113,915
Reserves	112,022	110,929
	<u>225,937</u>	<u>224,844</u>
<b>Non-controlling interest</b>	-	-
<b>Total equity</b>	<u>225,937</u>	<u>224,844</u>
<b>Non-current liabilities</b>		
Borrowings	53,277	38,017
Deferred tax liabilities	3,244	3,244
	<u>56,521</u>	<u>41,261</u>
<b>Current liabilities</b>		
Provision	14,000	14,000
Trade and other payables	155,052	175,346
Borrowings	115,525	130,590
Overdrafts	5,297	6,902
Amounts due to customers on contracts	960	56
Tax payable	1,509	798
	<u>292,343</u>	<u>327,692</u>
<b>Total liabilities</b>	<u>348,864</u>	<u>368,953</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>574,801</u>	<u>593,797</u>
<b>(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the Interim Statements)</b>		
<b>Other Information:-</b>		
Net assets per share (RM)	1.98	1.97

Condensed Consolidated Statement of Changes in Equity for the financial period ended 30 June 2012

	Attributable to owners of the Company		Non-distributable		Total Equity Attributable to Owners of the Company RM'000	Non-Controlling Interest RM'000	(Unaudited) Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000			
3 months ended 30.6.2012 (Unaudited)							
Balance as at 1.4.2012	113,915	21,871	(319)	89,377	224,844	-	224,844
Total comprehensive income for the period	-	-	(50)	1,143	1,093	-	1,093
Balance as at 30.6.2012	113,915	21,871	(369)	90,520	225,937	-	225,937

	Attributable to owners of the Company		Non-distributable		Total Equity Attributable to Owners of the Company RM'000	Non-Controlling Interest RM'000	(Unaudited) Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000			
3 months ended 30.6.2011 (Unaudited)							
Balance as at 1.4.2011	113,915	21,871	(251)	84,671	220,206	-	220,206
Total comprehensive income for the period	-	-	22	7,451	7,473	-	7,473
Balance as at 30.6.2011	113,915	21,871	(229)	92,122	227,679	-	227,679

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the Interim Statements)

**IREKA CORPORATION BERHAD** (Company No. 25882-A)

**Condensed Consolidated Statement of Cash Flows for the financial period ended 30 June 2012**

	Unaudited Current Year To Date 30.6.2012 RM'000	Unaudited Preceding Year Corresponding Period 30.6.2011 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	1,947	7,861
Adjustments for:		
Depreciation of property, plant and equipment	1,210	1,437
(Gain)/loss on disposal of property, plant and equipment	(127)	1
Property, plant and equipment written off	-	33
Impairment loss on other investments	326	1,644
Share of loss/(profit) from associates	3,233	(7,004)
Share of loss of jointly controlled entities	-	4
Interest expense	1,941	2,507
Interest income	(209)	(232)
Operating profit before changes in working capital	<u>8,321</u>	<u>6,251</u>
Working capital changes:		
Inventories	(925)	5,914
Receivables	7,098	(6,742)
Property development costs	(415)	-
Amount due from customers on contracts	3,500	11,809
Amount due from jointly controlled entities	-	(1)
Amount due from associates	(975)	(366)
Payables	(19,496)	1,399
Cash (used in)/generated from operations	<u>(2,892)</u>	<u>18,264</u>
Income tax paid	(61)	(539)
Net cash (used in)/generated from operating activities	<u>(2,953)</u>	<u>17,725</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,511)	(78)
Purchase of investment properties	(5)	-
Proceeds from disposal of property, plant and equipment	171	6
Land held for property development	(508)	(2,155)
Interest received	209	232
Net cash used in investing activities	<u>(1,644)</u>	<u>(1,995)</u>
<b>Cash flows from financing activities</b>		
Hire purchase principal repayments	(930)	(1,266)
Interest paid	(1,764)	(2,507)
Drawdown of bank borrowings	39,168	82,084
Repayment of bank borrowings	(39,050)	(49,884)
Net cash (used in)/generated from financing activities	<u>(2,576)</u>	<u>28,427</u>
Net (decrease)/increase in cash and cash equivalents	<u>(7,173)</u>	<u>44,157</u>
Cash and cash equivalents as at beginning of financial period	<u>33,283</u>	<u>14,737</u>
Cash and cash equivalents as at end of financial period	<u>26,110</u>	<u>58,894</u>
Cash and cash equivalents as at end of financial period comprise the followings:-		
Cash and bank balances	31,407	85,411
Overdrafts	(5,297)	(26,517)
	<u>26,110</u>	<u>58,894</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the Interim Statements)

**IREKA CORPORATION BERHAD** (Company No. 25882-A)  
**NOTES TO THE QUARTERLY RESULTS**

**A1 Basis of Preparation**

The unaudited interim 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 interim financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2012. 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 2012.

**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 2012.

**A3 Audit Report**

The auditors' report on the financial statements for the financial year ended 31 March 2012 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 current quarter under review.

**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-to-date 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 financial period-to-date results.

**A7 Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities during the financial period-to-date.

**A8 Dividend Paid**

No dividend was paid during the financial quarter ended 30 June 2012.

**A9 Segmental Information**

	<b>Group revenue and results including Share of JVs</b>			
	<b>Individual Quarter 3 Months Ended</b>		<b>Cumulative Period 3 Months Ended</b>	
	<b>30.6.2012 RM'000</b>	<b>30.6.2011 RM'000</b>	<b>30.6.2012 RM'000</b>	<b>30.6.2011 RM'000</b>
<b>Segment Revenue</b>				
Revenue				
Construction	104,197	92,031	104,197	92,031
Property development	-	1,526	-	1,526
Property investment	207	161	207	161
Trading and services	8,293	5,592	8,293	5,592
Investment holding and other	3,114	3,225	3,114	3,225
Total	115,811	102,535	115,811	102,535
Elimination of inter-segment sales	(5,448)	(3,499)	(5,448)	(3,499)
Total	110,363	99,036	110,363	99,036

	<b>Group revenue and results including Share of JVs</b>			
	<b>Individual Quarter 3 Months Ended</b>		<b>Cumulative Period 3 Months Ended</b>	
	<b>30.6.2012 RM'000</b>	<b>30.6.2011 RM'000</b>	<b>30.6.2012 RM'000</b>	<b>30.6.2011 RM'000</b>
<b>Segment Results</b>				
Profit/(Loss) before tax				
Construction	4,894	3,284	4,894	3,284
Property development	(228)	33	(228)	33
Property investment	(352)	(474)	(352)	(474)
Trading and services	728	179	728	179
Investment holding and other	(3,095)	4,839	(3,095)	4,839
Total	1,947	7,861	1,947	7,861

**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 Assets and Liabilities**

(a) Contingent Assets

There were no contingent assets as at the end of the current quarter or at the preceding annual statement of financial position date.

(b) Contingent Liabilities

	<b>Financial Quarter Ended 30.6.2012 RM</b>	<b>Financial Year Ended 31.3.2012 RM</b>
(i) Corporate guarantees for credit facilities granted to the Group	4,003,071	3,250,671

**A14 Capital Commitments**

There were no capital commitments as at the end of the current quarter.

**B1 Review of Performance**

(a) Performance of Current Period against the Preceding Year Corresponding Period

For the financial period ended 30 June 2012, the Group has recorded revenue of RM110.363 million as compared to RM99.036 million for the preceding year. The current year revenue is mainly attributable to the construction segment of the Group.

The construction segment has achieved higher revenue of RM104.197 million in the current period, compared to RM92.031 million in the preceding period, due to higher volume of works completed. Contribution came from its local and Vietnam operations. The Group is currently constructing a private hospital project in Ho Chi Minh City, which contributed to about 13% of the Group's construction revenue in the current period under review.

The trading and services segment consists mainly of property development management and IT Solutions divisions. The latter has contributed to the higher revenue recorded in the current year under review.

For the financial period ended 30 June 2012, the Group recorded a pre-tax profit of RM1.947 million, as compared to a pre-tax profit of RM7.861 million in the preceding year.

The lower pre-tax profit of the Group for the current period is attributable to a share of loss of Aseana Properties Limited ("ASPL") (a 23.07% associate of Ireka) of RM3.225 million (30 June 2011: Profit of RM7.004 million). The profit is also inclusive of a mark-to-market loss on share investment in Kinh Bac City Development Shareholding Corporation ("KBC") of RM0.326 million (30 June 2011: RM1.644 million).

Profit from construction segment has included a payment for Liquidated and Ascertained Damages arising from late in delivery of a project of RM0.427 million (30 June 2011: RMNil).

(b) Performance of Current Quarter against the Preceding Year Corresponding Quarter

The Group has achieved higher revenue of RM110.363 million in the current quarter as compared to RM99.036 million in the preceding year corresponding quarter. This is mainly due to higher contribution by its construction division.

For the financial year ended 31 March 2012, the Group recorded a pre-tax profit of RM1.947 million, as compared to a pre-tax profit of RM7.861 million in the preceding year corresponding quarter. The lower profit in the current quarter is attributable to the reasons as stated in Note B1(a) above.



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

The Group has recorded a higher revenue of RM110.363 million in the first quarter of financial year ending 31 March 2013, compared to RM102.987 million in the immediate preceding quarter; and a pre-tax profit of RM1.947 million compared to RM2.980 million in the last quarter.

The higher revenue achieved in the current quarter is mainly due to the reasons as stated in Note B1(a) above.

**B3 Prospects for the Current Financial Year**

On the construction front, the Group has tendered for about RM6 billion worth of contracts over the last twelve months. In June 2012, the Group has secured a contract to construct a 35-storey serviced apartments, a 16-storey office tower with retail space, car parks and recreational facilities worth RM268.60 million. As at end June 2012, the Group's order book stood at about RM1 billion, of which about RM435.57 million remained outstanding. The Group is confident of securing more contracts in the coming few months.

On the property development front, the Group is currently working on four projects, two of which are expected to commence launching during the second half of this year. These projects will contribute positively to the revenue and earnings 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 2013.

**B5 Profit for the Period**

Included in profit for the period are:-

	Individual Quarter 3 Months Ended		Cumulative Period 3 Months Ended	
	30.6.2012 RM'000	30.6.2011 RM'000	30.6.2012 RM'000	30.6.2011 RM'000
Depreciation of property, plant and equipment	1,210	1,437	1,210	1,437
Impairment loss on other investments	326	1,644	326	1,644
Interest expenses	1,941	2,507	1,941	2,507
Net foreign exchange (gain)/loss	(294)	3	(294)	3
Property, plant and equipment written off	-	33	-	33
(Gain)/ loss on disposal of property, plant and equipment	(127)	1	(127)	1
Interest income	(209)	(232)	(209)	(232)

Other than the above items, there were no allowance for impairment and write off of receivables and exceptional items for the current quarter and financial period ended 30 June 2012.

**B6 Taxation**

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

	Individual Quarter 3 Months Ended		Cumulative Period 3 Months Ended	
	30.6.2012 RM'000	30.6.2011 RM'000	30.6.2012 RM'000	30.6.2011 RM'000
Malaysian income tax	(455)	(164)	(455)	(164)
Overseas income tax	(349)	(184)	(349)	(184)
Deferred tax	-	(62)	-	(62)
	(804)	(410)	(804)	(410)

The effective tax rates of the Group for the current quarter and for the period were higher than the statutory tax rate due to effect of share of losses of associates.

**B7 Status of Corporate Proposals**

There were no on-going corporate proposals during the financial period under review.

**B8 Group Borrowings and Debt Securities**

The Group's borrowings as at 30 June 2012 are as follows:-

	<b>RM'000</b>
(a) Short term borrowings	
<i>Secured:-</i>	
Term loans	7,024
Project loans	18,638
Hire Purchase/Leasing	4,989
Trade finance	21,711
Bank overdraft	4,485
Revolving credit	62,163
	-----
	119,010
	-----
<i>Unsecured:-</i>	
Bank overdraft	812
Revolving credit	1,000
	-----
	120,822
	-----
 (b) Long term borrowings	
<i>Secured:-</i>	
Term loans	33,614
Project loans	17,100
Hire Purchase/Leasing	2,563
	-----
	53,277
	-----
 (c) Total borrowings	 174,099
	=====

Bank borrowings of the Group are denominated in Malaysian Ringgit and United State Dollars.

**B9 Realised and Unrealised Profits/(Losses) Disclosure**

The breakdown of the retained earnings/(accumulated losses) of the Group as at 30 June 2012, into realised and unrealised profits/(losses) is as follows:-

	<b>30.6.2012</b>	<b>31.3.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
The retained earnings of the Company and its subsidiaries:-		
- Realised	97,514	93,138
- Unrealised	(3,244)	(3,244)
	-----	-----
	94,270	89,894
	=====	=====

**IREKA CORPORATION BERHAD** (Company No. 25882-A)

	<b>30.6.2012</b>	<b>31.3.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
The share of accumulated losses of its associates:-		
- Realised	(7,527)	(4,780)
- Unrealised	3,777	4,263
	<u>(3,750)</u>	<u>(517)</u>
<b>Total retained earnings</b>	<u>90,520</u>	<u>89,377</u>

The determination of realised and unrealised profits is based on the Guidance of Special Matters No. 1, Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia's Listing Requirements, issued by Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirement stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

**B10 Material Litigations**

The Group was not engaged in any material litigation as at 24 August 2012.

**B11 Dividend Proposed**

The Board of Directors recommended a first and final single-tier dividend of 5.00% per share for approval by the shareholders of the Company at the forthcoming Annual General Meeting.

**B12 Earnings per Share**

	<b>Individual Quarter 3 Months Ended</b>		<b>Cumulative Period 3 Months Ended</b>	
	<b>30.6.2012</b>	<b>30.6.2011</b>	<b>30.6.2012</b>	<b>30.6.2011</b>
(a) Basic				
Profit for the period attributable to owners of the Company (RM'000)	1,143	7,451	1,143	7,451
Weighted average number of ordinary shares	113,914,700	113,914,700	113,914,700	113,914,700
Basic earnings per share (sen)	1.00	6.54	1.00	6.54
(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  
29 August 2012