

IREKA CORPORATION BERHAD
Condensed Consolidated Statement of Comprehensive Income for the financial period ended 31 December 2010

	Unaudited Current Year Quarter 31.12.2010 RM'000	Unaudited Preceding Year Corresponding Quarter 31.12.2009 RM'000	Unaudited Current Year To Date 31.12.2010 RM'000	Unaudited Preceding Year Corresponding Period 31.12.2009 RM'000
Revenue	99,073	113,867	308,809	288,477
Cost of sales	(97,065)	(101,029)	(283,560)	(252,208)
Gross profit	2,008	12,838	25,249	36,269
Other income	768	452	2,632	1,479
Expenses	(5,442)	(8,897)	(20,559)	(24,290)
(Loss)/ profit from operations	(2,666)	4,393	7,322	13,458
Finance costs	(3,105)	(2,013)	(8,460)	(5,270)
Share of results of associates	(31)	-	(7,526)	-
Share of results of jointly controlled entity	(1,594)	(9)	(1,600)	(28)
(Loss)/ profit before taxation	(7,396)	2,371	(10,264)	8,160
Income tax expense	(254)	(130)	(504)	(315)
(Loss)/ profit for the period	(7,650)	2,241	(10,768)	7,845
Other comprehensive income				
Exchange differences on translating foreign operations	1	-	(20)	-
Total comprehensive income for the period	(7,649)	2,241	(10,788)	7,845
(Loss)/ profit attributable to:-				
Equity holders of the Company	(7,650)	2,241	(10,768)	7,845
Non-controlling interest	-	-	-	-
	(7,650)	2,241	(10,768)	7,845
Total comprehensive income attributable to:-				
Equity holders of the Company	(7,649)	2,241	(10,788)	7,845
Non-controlling interest	-	-	-	-
	(7,649)	2,241	(10,788)	7,845
(Loss)/ earnings per share attributable to equity holders of Company:-				
- basic (sen)	(6.71)	1.97	(9.45)	6.89
- diluted (sen)	N/A	N/A	N/A	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 2010 and the accompanying explanatory notes attached to the Interim Statements)

Other information:-

(Loss)/ profit from operations	(2,666)	4,393	7,322	13,458
Gross interest income	113	219	753	333
Gross interest expense	3,105	2,232	8,460	5,603

IREKA CORPORATION BERHAD**Condensed Consolidated Statement of Financial Position as at 31 December 2010**

	Unaudited As At 31.12.2010 RM'000	Audited As At 31.3.2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	76,595	72,220
Land and development expenditure	10,840	10,819
Investment properties	4,272	4,272
Investment in associates	158,601	166,127
Investment in jointly controlled entity	-	-
Available-for-sale investments	7,732	9,336
	<u>258,040</u>	<u>262,774</u>
Current assets		
Development properties	1,777	3,611
Inventories	16,907	16,857
Trade and other receivables	227,367	185,589
Amounts due from customers on contracts	4,755	24,457
Amounts due from jointly controlled entities	9,512	11,112
Current tax assets	1,853	-
Deposits, cash and cash equivalents	41,189	40,675
	<u>303,360</u>	<u>282,301</u>
TOTAL ASSETS	<u>561,400</u>	<u>545,075</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	113,915	113,915
Reserves	107,311	123,795
	<u>221,226</u>	<u>237,710</u>
Non-controlling interest	-	-
Total equity	<u>221,226</u>	<u>237,710</u>
Non-current liabilities		
Borrowings	33,039	32,573
Deferred tax liabilities	3,253	3,253
	<u>36,292</u>	<u>35,826</u>
Current liabilities		
Trade and other payables	137,116	115,955
Borrowings	143,336	116,681
Overdrafts	23,430	38,181
Current tax liabilities	-	722
	<u>303,882</u>	<u>271,539</u>
Total liabilities	<u>340,174</u>	<u>307,365</u>
TOTAL EQUITY AND LIABILITIES	<u>561,400</u>	<u>545,075</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the Interim Statements)

Other Information:-

Net assets per share (RM)	<u>1.94</u>	<u>2.09</u>
---------------------------	-------------	-------------

IREKA CORPORATION BERHAD
Condensed Consolidated Statement of Changes in Equity for the financial period ended 31 December 2010

	Attributable to equity holders of the Company		Non-distributable		Total Equity Attributable to Equity Holders of the Parent RM'000	Non-Controlling Interest RM'000	(Unaudited) Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Exchange Fluctuation Reserve RM'000	Retained Profits RM'000			
9 months ended 31.12.2010 (Unaudited)							
Balance as at 1.4.2010	113,915	21,871	(185)	102,109	237,710	-	237,710
Total comprehensive income for the period	-	-	(20)	(10,768)	(10,788)	-	(10,788)
Dividends	-	-	-	(5,696)	(5,696)	-	(5,696)
Balance as at 31.12.2010	113,915	21,871	(205)	85,645	221,226	-	221,226

	Attributable to equity holders of the Company		Non-distributable		Total Equity Attributable to Equity Holders of the Parent RM'000	Non-Controlling Interest RM'000	(Unaudited) Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Exchange Fluctuation Reserve RM'000	Retained Profits RM'000			
9 months ended 31.12.2009 (Unaudited)							
Balance as at 1.4.2009	113,915	21,876	(185)	98,395	234,001	-	234,001
Disposal of subsidiary	-	-	-	43	43	-	43
Total comprehensive income for the period	-	-	-	7,845	7,845	-	7,845
Transaction costs	-	(5)	-	-	(5)	-	(5)
Dividends	-	-	-	(4,955)	(4,955)	-	(4,955)
Balance as at 31.12.2009	113,915	21,871	(185)	101,328	236,929	-	236,929

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the Interim Statements)

IREKA CORPORATION BERHAD**Condensed Consolidated Statement of Cash Flows for the financial period ended 31 December 2010**

	Unaudited Current Year To Date 31.12.2010 RM'000	Unaudited Preceding Year Corresponding Period 31.12.2009 RM'000
Net cash from/(used in) operating activities	7,344	(48,589)
Net cash used in investing activities	(6,879)	(8,847)
Net cash from financing activities	14,800	51,469
Net change in cash and cash equivalents	15,265	(5,967)
Cash and cash equivalents as at beginning of financial period	2,494	8,959
Cash and cash equivalents as at end of financial period	17,759	2,992

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

Deposits, cash and bank balances	41,189	41,135
Overdrafts	(23,430)	(38,143)
	17,759	2,992

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the Interim Statements)

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 2010. 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 2010.

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 2010, except for the adoption of the following new and revised Financial Reporting Standards (FRSs), amendments to FRSs and IC Interpretations as described below, which are relevant to the Group's operations with effect from 1 January 2010:-

(i) FRS 101 – Presentation of Financial Statements (Revised)

Prior to 1 January 2010, the components of a set financial statements consisted of a balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements.

Upon the adoption of the revised FRS101, a set of financial statements shall now comprise a statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements. The statement of comprehensive income consists of profit or loss for the period and other comprehensive income. All non-owner changes in equity previously presented in the consolidated statement of changes in equity are now presented in the statement of comprehensive income as components in other comprehensive income.

The adoption of other new and revised FRSs, IC Interpretations and amendments to FRSs, and IC Interpretations has no financial impact on the current financial statements or consolidated financial statements of the previous financial year.

A3 Audit Report

The auditors' report on the financial statements for the financial year ended 31 March 2010 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 31 December 2010.

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 for 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:-

- (i) The subscription by ASPL M9 Limited (“ASPL”), a wholly-owned subsidiary of Aseana Properties Limited, of 700,000 new ordinary shares of RM1.00 each at par in Urban DNA Sdn Bhd (formerly World Trade Frontier Sdn Bhd) on 20 April 2010, representing a shareholding interest of 70% of Urban DNA’s enlarged share capital, for a total subscription amount of RM700,000 to be satisfied entirely in cash. This resulted in Urban DNA ceasing to be a subsidiary of the Company and accounted as an associate from the said date.

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

	Financial Quarter Ended 31.12.2010 RM	Financial Year Ended 31.3.2010 RM
(i) Corporate guarantees for credit facilities granted to the Group	65,147,493	49,051,731

A14 Capital Commitments

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

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

B1 Review of Performance

For the financial period ended 31 December 2010, the Group has achieved revenue of RM308.809 million as compared to RM288.477 million for the preceding year. This is mainly due to higher volume of construction works being completed during the period under review.

For the financial period ended 31 December 2010, the Group recorded a pre-tax loss of RM10.264 million, as compared to a pre-tax profit of RM8.160 million in the preceding year. The loss was in part attributable to delays in the completion of a significant construction project. The project has a tight construction schedule and was hampered by challenges, namely labour shortages, adverse weather conditions and a couple of incidents on site. The results also included the share of loss in Aseana Properties Limited (“ASPL”) of RM7.503 million (2009: NIL) and a mark-to-market loss for share investment in Kinh Bac City Development Shareholding Corporation (“KBC”) of RM1.604 million (2009: NIL).

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

The Group has recorded slightly lower revenue of RM99.073 million in the third quarter of financial year ending 31 March 2011, compared with RM108.027 million in the preceding quarter; and a post-tax loss of RM7.650 million compared to post-tax loss of RM0.087 million in the last quarter. The loss of RM7.650 million is attributable to the factors mentioned in B1 above.

B3 Prospects for the Current Financial Year

On the construction front, basing on existing works on hand, the Board expects turnover to be maintained in the current financial year. As at end December 2010, the Group’s order book stood at about RM1 billion, of which about RM430 million remained outstanding. Over the last 9 months, the Group has tendered for jobs totalling over RM1 billion and has successfully secured three projects with total contract sum of about RM297 million. The Group has intensified its efforts to replenish its order book over the course of the year. The Group expects prices of construction materials to increase but will endeavour to maintain the profitability of its on-going construction projects.

The Board expects the fee income from property development management to further decline due to expected lower Net Tangible Assets of ASPL and weakening of US Dollars against Ringgit. The current global economic crisis has affected the performance of real estate markets in Malaysia and Vietnam, but the Directors would continue to be cautious in its business approach in these two countries.

B4 Profit Forecast

The Group did not issue any profit forecast for the financial year ending 31 March 2011.

B5 Taxation

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

	Individual Quarter 3 Months Ended		Cumulative Period 9 Months Ended	
	31.12.2010 RM'000	31.12.2009 RM'000	31.12.2010 RM'000	31.12.2009 RM'000
Malaysian income tax	254	130	504	315
Overseas taxation	-	-	-	-
Deferred taxation	-	-	-	-
	<u>254</u>	<u>130</u>	<u>504</u>	<u>315</u>

The effective tax rates of the Group for the current quarter and for the period-to-date are lower than the statutory tax rate due to losses suffered by certain subsidiaries and also 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

On 20 August 2010, the Company was allotted 172,900 bonus shares in Kinh Bac City Development Shareholding Corporation ("KBC") via a 5:1 bonus share payout and 259,350 dividend shares via a 10:3 dividend share payout respectively to its shareholders. As at 31 December 2010, the Company held 1,296,750 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 period-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 31 December 2010 are as follows:-

	RM'000
(a) Short term borrowings	
<i>Secured:-</i>	
Term loans	4,669
Project loans	62,707
Hire Purchase/Leasing	4,317
Trade finance	42,704
Bank overdraft	23,046
Revolving credit	27,939
	<u>165,382</u>
<i>Unsecured:-</i>	
Bank overdraft	384
Revolving credit	1,000
	<u>166,766</u>

	RM'000
(b) Long term borrowings	
<i>Secured:-</i>	
Term loans	25,430
Hire Purchase/Leasing	7,609
	<u>33,039</u>
(c) Total borrowings	<u>199,805</u>

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

B10 Realised and Unrealised Profits/Losses Disclosure

	31.12.2010 RM'000	30.9.2010 RM'000
Total retained profits of Group		
- Realised	101,500	113,221
- Unrealised	(3,253)	(3,253)
	<u>98,247</u>	<u>109,968</u>
 Total share of retained profits from associates		
- Realised	(16,530)	(16,499)
- Unrealised	6,079	6,079
	<u>(10,451)</u>	<u>(10,420)</u>
 Total share of retained profits from jointly controlled entity		
- Realised	(2,151)	(557)
- Unrealised	-	-
	<u>(2,151)</u>	<u>(557)</u>
 Total group retained profit as per consolidated accounts	<u>85,645</u>	<u>98,991</u>

B11 Off-Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at 18 February 2011.

B12 Material Litigations

The Group is not engaged in any material litigation as at 18 February 2011.

B13 Dividend Proposed

The Board of Directors do not propose any payment of dividend for the current financial quarter ended 31 December 2010.

B14 (Loss)/ Earnings Per Share

	Individual Quarter		Cumulative Period	
	3 Months Ended		9 Months Ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
(a) Basic				
(Loss)/ profit for the period attributable to equity holders of the parent (RM'000)	(7,650)	2,241	(10,768)	7,845
Weighted average number of ordinary shares	113,914,700	113,914,700	113,914,700	113,914,700
Basic (loss)/ earnings per share (sen)	(6.71)	1.97	(9.45)	6.89
(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
24 February 2011