

Ireka Q2 revenue up 41pc

IREKA Corp Bhd's (8834) revenue for the second quarter ended September 30, 2008, rose 41 per cent to RM88.79 million from RM62.86 million in the first quarter.

In a statement today, Ireka said for the first half of the financial year ended September 30, 2008, revenue fell 5 per cent to RM151.65 million from RM159.77 million in the corresponding period last year.

“This is mainly due to the lower volume of construction works completed during the period.

“In the first half of financial year 2009, the company registered a pre-tax loss of RM711,000 which was mainly attributable to the surge in raw material prices during the period under review, especially prices of steel bars,” it said.

The company's financial year ends on March 31 2009.

Group managing director Lai Siew Wah said high steel bar prices were one of the main contributing factors, which saw an average price of RM2,500 per tonne as at the end of last year, to more than RM4,000 per tonne during the period under review.

He said, however, raw material prices had begun to ease in the fourth quarter of 2008 and that would definitely augur well for the company as well as for the construction industry as a whole.

“We are comfortable with our existing order book totalling RM1.14 billion as at September 30, 2008, which will see us through to 2011.

“The group expects a better performance for the second half of its financial year, and will continue to monitor and assess the market closely, prior to embarking on new construction projects during these uncertain times,” he said. — Bernama

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