



## EUPE CORPORATION BERHAD

(Company No.: 377762-V)

(Incorporated in Malaysia under the Companies Act, 1965)

### PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION

#### SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL PERIOD ENDED 31 MAY 2010

		Individual Quarter		Cumulative Quarter	
		Current yr. Quarter	Preceding yr. Corresponding Quarter	Current yr. to date	Preceding yr. to date
		<b>31 MAY 2010</b> RM '000	<b>31 MAY 2009</b> RM '000	<b>31 MAY 2010</b> RM '000	<b>31 MAY 2009</b> RM '000
1.	Revenue	27,199	24,346	27,199	24,346
2.	Profit/(loss) before tax	1,203	859	1,203	859
3.	Profit/(loss) for the period	640	232	640	232
4.	Profit/(loss) attributable to ordinary equity holders of the parent	377	63	377	63
5.	Basic earnings/ (loss) per shares (sen)	0.29	0.05	0.29	0.05
6.	Proposed/declared dividend per share (sen)	0	0	0	0

		AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
		7.	Net assets per share attributable to ordinary equity holders of the parent (RM)



## EUPE CORPORATION BERHAD

(Company No.: 377762-V)

(Incorporated in Malaysia under the Companies Act, 1965)

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the financial period ended 31 May 2010

(The figures have not been audited)

	INDIVIDUAL QUARTER (1st Q)		CUMULATIVE QUARTER (3 months)	
	CURRENT YEAR QUARTER 31/5/2010 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/5/2009 RM'000	CURRENT YEAR TO DATE 31/5/2010 RM'000	PRECEDING YEAR TO DATE 31/5/2009 RM'000
REVENUE	27,199	24,346	27,199	24,346
COST OF SALES	-22,917	-20,330	-22,917	-20,330
GROSS PROFIT	4,282	4,016	4,282	4,016
OTHER OPERATING INCOME	208	158	208	158
MARKETING AND DISTRIBUTION COSTS	-536	-325	-536	-325
ADMINISTRATION EXPENSES	-2,062	-2,152	-2,062	-2,152
OTHER OPERATING EXPENSES	-461	-487	-461	-487
FINANCIAL COST	-228	-351	-228	-351
PROFIT BEFORE TAX	1,203	859	1,203	859
TAX EXPENSE	-563	-627	-563	-627
PROFIT FOR THE FINANCIAL PERIOD	640	232	640	232
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE PARENT	377	63	377	63
MINORITY INTEREST	263	169	263	169
	640	232	640	232
BASIC EARNINGS PER ORDINARY SHARE (SEN)	0.29	0.05	0.29	0.05
DILUTED EARNINGS PER ORDINARY SHARE (SEN)	0.29	0.05	0.29	0.05

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2010 and the accompanying explanatory notes attached to the financial Statements)

**EUPE CORPORATION BERHAD***(Company No.: 377762-V)**(Incorporated in Malaysia under the Companies Act, 1965)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****as at 31 May 2010**

(The figures have not been audited)

	AS AT END OF FIRST QUARTER 31/5/2010 RM'000	AS AT PRECEEDING FINANCIAL YEAR 28/2/2010 RM'000
<b><u>ASSETS</u></b>		
PROPERTY, PLANT AND EQUIPMENT	80,910	81,766
OTHER INVESTMENTS	156	155
LAND HELD FOR PROPERTY DEVELOPMENT	92,117	89,803
INVESTMENT PROPERTIES	22,427	22,427
DEFERRED PLANTATION EXPENDITURES	873	905
DEFERRED TAX ASSETS	1,964	1,964
CURRENT ASSETS		
Property development costs	85,544	88,034
Inventories	8,438	8,195
Trade and other receivables	29,220	24,766
Sinking and redemption funds	734	720
Tax recoverable	3,574	3,537
Cash and bank balances	8,861	6,267
	<u>136,371</u>	<u>131,519</u>
<b>TOTAL ASSETS</b>	<b><u>334,818</u></b>	<b><u>328,539</u></b>
<b><u>EQUITY AND LIABILITIES</u></b>		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	128,000	128,000
Reserves	107,770	107,393
	<u>235,770</u>	<u>235,393</u>
Minority interest	1,912	1,649
	<u>237,682</u>	<u>237,042</u>
LONG TERM AND DEFERRED LIABILITIES		
Borrowings	4,832	6,027
Deferred taxation	17,474	17,522
	<u>22,306</u>	<u>23,549</u>
CURRENT LIABILITIES		
Trade and other payables	56,920	47,791
Provision for infrastructure cost	1,975	1,976
Borrowings	15,146	17,284
Tax liabilities	789	897
	<u>74,830</u>	<u>67,948</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>334,818</u></b>	<b><u>328,539</u></b>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)		
	<u>1.84</u>	<u>1.84</u>

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2010 and the accompanying explanatory notes attached to the financial Statements)**



# EUPE CORPORATION BERHAD

(Company No.: 377762-V)

(Incorporated in Malaysia under the Companies Act, 1965)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW for the financial year ended 28 February 2010

(The figures have not been audited)

	<b>3 MONTHS ENDED 31/5/2010 RM'000</b>	<b>3 MONTHS ENDED 31/5/2009 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	36,816	25,835
Cash payments to suppliers and creditors	(23,770)	(22,807)
Cash payments to employees and for expenses	(5,381)	(4,303)
Cash generated from operations	<u>7,665</u>	<u>(1,275)</u>
Interest expenses - overdraft	(42)	(35)
Rental income received	59	72
Deposit received/(paid)	(605)	30
Insurance compensation received	-	4
Tax paid	(756)	(872)
Net cash from operating activities	<u>6,321</u>	<u>(2,076)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	16	20
Purchase of property, plant and equipment	(154)	(139)
Other investment	(1)	-
Fixed deposits released from pledge / (pledge to licensed bank)	(190)	(76)
Net cash used in investing activities	(329)	(195)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of revolving credit	-	800
Net creation of bankers' acceptance	(861)	586
Repayment of term loan	(1,721)	(1,866)
Repayment of hire purchase loan	-	(30)
Term loan interest paid	(151)	(278)
Revolving credit interest paid	(69)	(65)
Discount paid on bankers' acceptance	(34)	(35)
Hire purchase interest paid	-	(1)
Repayment to director	-	(4)
Net cash used in financing activities	(2,836)	(893)
Net increase in cash and cash equivalents	<u>3,156</u>	<u>(3,164)</u>
Cash and cash equivalents at beginning of financial year	3,257	6,711
Cash and cash equivalents at end of financial period	<u><u>6,413</u></u>	<u><u>3,547</u></u>

**(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2010 and the accompanying explanatory notes attached to the financial Statements)**

**EUPE CORPORATION BERHAD***(Company No.: 377762-V)**(Incorporated in Malaysia under the Companies Act, 1965)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
for the financial year ended 28 February 2010***(The figures have not been audited)*

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENTS					MINORITY INTEREST	TOTAL EQUITY
	Share capital RM'000	Share premium RM'000	Share option reserve RM'000	Retained profits RM'000	Sub-total RM'000		
Balance as at 1 March 2010	128,000	5,982	2,009	99,402	235,393	1,649	237,042
Profit for the financial period	-	-	-	377	377	263	640
Balance as at 31 May 2010	<u>128,000</u>	<u>5,982</u>	<u>2,009</u>	<u>99,779</u>	<u>235,770</u>	<u>1,912</u>	<u>237,682</u>
Balance as at 1 March 2009	128,000	5,982	1,914	95,811	231,707	113	231,820
Profit for the financial period	-	-	-	63	63	169	232
Balance as at 31 May 2009	<u>128,000</u>	<u>5,982</u>	<u>1,914</u>	<u>95,874</u>	<u>231,770</u>	<u>282</u>	<u>232,052</u>

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2010 and the accompanying explanatory notes attached to the financial statement)**



**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MAY 2010**

**1 Basis of preparation**

The financial statements are unaudited and have been prepared in accordance with FRS 134, Interim Financial Reporting and Appendix 9B of the Bursa Malaysia Securities Berhad Listing Requirements.

The financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 28 February 2010.

The accounting policies and methods of computation adopted by the Group in these financial statements are consistent with those in the financial statements for the year ended 28 February 2010 except for the adoption of the following new/revised Financial Reporting Standards (“FRS”) and Interpretations effective for the financial period beginning 1 July 2009.

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurements
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Financial Instruments: Disclosures
Amendments to FRS 8	Operating Segments
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to FRS 117	Leases
Amendments to FRS 119	Employee Benefits
Amendments to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendments to FRS 123	Borrowing Costs
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 128	Investment in Associates
Amendments to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendments to FRS 131	Interests in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 138	Intangible Assets
Amendments to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes



**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MAY 2010**

IC Interpretation 14                      The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The Group does not expect any significant financial impact on the consolidated financial statements arising from the adoption of the above FRSs and Interpretation except of the following: -

FRS 101: Presentation of Financial Statements

This standard sets the overall requirements for the presentation of financial statements, guidelines for their structure and the minimum requirements for their content. The standard separates owner and non-owner changes in equity, whereby the statement of changes in equity will include only details of transactions with owners, and all non-owner changes in equity are presented separately. In addition, the standard introduces the statement of comprehensive income, which presents income and expense items recognised in profit and loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The application of this standard does not have any impact on the financial results of the Group, as the changes introduced are presentational in nature.

FRS 117: Leases

The Group has reassessed and reclassified the leasehold land which is in substance finance lease to property, plant and equipment. There were no effects on the consolidated statement of comprehensive income for the current year to date. The reclassification of leasehold land as property, plant and equipment has been accounted for retrospectively and certain comparatives have been restated as shown below: -

	<b>As previously stated RM'000</b>	<b>Effect of FRS 117 RM'000</b>	<b>As restated RM'000</b>
<b>Consolidated Statement of Financial Position as at 28 February 2010</b>			
Property, plant and equipment	52,096	29,670	81,766
Prepaid land lease payments	29,670	(29,670)	-

**2      Qualification of financial statement**

There was no qualification in the audited financial statements for the year ended 28 February 2010.

**3.      Seasonal or cyclical factors**

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.



**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MAY 2010**

**4 Items affecting assets, liabilities, equity, net income or cash flows**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter and/or financial year to-date.

**5 Change in estimates**

There were no changes in estimates reported in prior interim periods of the current financial year or prior financial year that have a material effect on the current financial year to-date.

**6 Debt and equity securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period.

**7 Dividend paid**

No dividend has been paid or declared during the current financial period-to-date.

**8 Segmental information**

	Revenue		Profit before taxation	
	<----- 3 months ended ----->			
	31.5.10	31.5.09	31.5.10	31.5.09
	RM'000	RM'000	RM'000	RM'000
Chalet and Golf Management	3,280	3,466	(471)	(659)
Property Development	18,627	15,225	1,553	500
Property Construction	16,285	19,296	206	1,165
Others	1,508	517	982	41
	<u>39,700</u>	<u>38,504</u>	<u>2,270</u>	<u>1,247</u>
Inter-segment elimination	<u>(12,501)</u>	<u>(14,158)</u>	<u>(1,067)</u>	<u>(188)</u>
	<u>27,199</u>	<u>24,346</u>	<u>1,203</u>	<u>859</u>

**9 Revaluation of property, plant and machinery**

The Group did not carry out any valuations on its property, plant and equipment.

**10 Material events subsequent to balance sheet date**

There is no material event that has not been reflected in the financial statements for the said period, made up to a date not earlier than 7 days from the date of the issuance of this quarterly report.





**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MAY 2010**

**11 Changes in composition of the Group**

There was no change in the composition of the Group for the current quarter.

**12 Changes in contingent liabilities and contingent assets**

The changes in contingent liabilities since the last annual balance sheet date made up to 31 May 2010 are as follows: -

	<b>As at 1.3.2010 RM'000</b>	<b>Addition / (Deletion) RM'000</b>	<b>As at 28.2.2010 RM'000</b>
Guarantees given to licensed banks for credit facilities utilised by the subsidiary companies	<u>23,785</u>	<u>(3,334)</u>	<u>20,451</u>
Guarantees given to suppliers for credit facilities utilised by the subsidiary companies	<u>750</u>	<u>(1)</u>	<u>749</u>
Total guarantees given for credit facilities available to the subsidiary companies	<u>56,040</u>	<u>(10,500)</u>	<u>45,540</u>

The provision of financial assistance to third parties will not have any financial impact on the Company unless its subsidiary companies default on payments.

**13 Capital commitments**

There is no capital commitment as at the date of this report.

**14 Acquisition and disposal of items of property, plant and equipment**

During the financial period ended 31 May 2010, the Group made the following payments to purchase property, plant and equipment: -

Cash payment on purchase of property, plant and equipment	<b>RM</b> 154,421
Financed by hire purchase arrangement	-
Purchase of property, plant and equipment	<u>154,421</u>



**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MAY 2010**

**Additional information required by the BMSB's Listing Requirements**

**1 Review of performance**

The revenue recorded in Q1 2011 increased by 12% to RM27.199 million as compared to Q1 2010. This was mainly due to the general increase in the take-up rates of the Group's development projects namely Seri Astana Parcel E and Cinta Sayang Resort Homes. The recognition of revenue from the above-mentioned development projects subsequent to the commencement of construction activities was also a contributing factor.

The profit before tax of the Group increased by 40% to RM1.203 million as compared to Q1 2010. The reasons are as above.

**2 Variance of results against preceding quarter**

The Group's turnover for the current quarter dropped by 23% to RM27.199 million as compared to RM35.497 million recorded in the preceding quarter. Correspondingly, profit before tax decreased by 47% to RM1.203 million.

**3 Current year / future prospects**

As anticipated, Bank Negara Malaysia increased the key rate by 25 basis point to 2.75% in July, citing strong growth prospects for the Malaysia economy on the back of strengthening private consumption and investment. Unfortunately, interest rate hikes would negatively impact the property sector.

On the back of this, the Group plans to launch several new projects this year in order to be able to respond to potential market changes. Diversifying its portfolio to include high-end properties, commercial developments and mass housing allows us to target different segments of the market.

Market response for our existing projects has been encouraging. Barring unforeseen circumstances, the Group is positive about the year ahead and is well positioned to reap the opportunities present in the market.

**4 Profit forecast**

This is not applicable as no profit forecast was published.



**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MAY 2010**

**5 Taxation**

	<b>CURRENT QUARTER Q1 31 MAY 2010 RM'000</b>	<b>PRECEDING QUARTER Q1 31 MAY 2009 RM'000</b>	<b>CURRENT YEAR TO DATE 31 MAY 2010 RM'000</b>	<b>PRECEDING YEAR TO DATE 31 MAY 2009 RM'000</b>
Current year taxation	611	703	611	703
Real property gain tax	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Deferred taxation	(48)	(76)	(48)	(76)
	<hr/>	<hr/>	<hr/>	<hr/>
Under/(Over) provision in previous years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	563	627	563	627

The higher effective tax rate as compared to the statutory tax rate of 25% for current year is mainly due to the unavailability of group relief losses incurred by certain subsidiaries and disallowing certain expenses for tax purposes.

**6 Purchase or disposal of unquoted investments and properties**

There was no sale of unquoted investments and properties of the Group for the current quarter under review and financial year to date.

**7 Purchase or disposal of quoted investments and properties**

There was no sale of quoted investments and properties of the Group for the current quarter under review and financial year to date.

**8 Status of corporate proposal announced**

There is no corporate proposal announced but not completed as at the date of this quarterly report.



**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MAY 2010**

**9 Borrowings and debt securities**

	<b>CURRENT FINANCIAL PERIOD END 28.2.2010 RM' 000</b>	<b>PRECEDING FINANCIAL YEAR END 28.2.2010 RM' 000</b>
<b><u>Borrowings – unsecured</u></b>		
<u>Repayable within the next 12 months</u>		
Term loans	1,007	941
Revolving credit	2,500	2,500
Bankers' acceptance	1,647	2,328
Bank overdraft	104	1,102
	<hr/>	<hr/>
	5,258	6,871
 <u>Repayable after the next 12 months</u>		
Term loans	2,044	2,044
	<hr/>	<hr/>
	2,044	2,044
 <b><u>Borrowings – secured</u></b>		
<u>Repayable within the next 12 months</u>		
Term loans	1,360	1,951
Revolving credit	6,000	6,000
Bankers' acceptance	1,073	1,253
Bank overdraft	1,455	1,209
	<hr/>	<hr/>
	9,888	10,413
 <u>Repayable after the next 12 months</u>		
Term loans	2,788	3,983
	<hr/>	<hr/>
	2,788	3,983

The Group has no borrowing and debt securities denominated in foreign currency.

**10 Off balance sheet financial instruments**

The Group and Company have not issued any such instrument as at the date of this report.

**11 Changes in material litigation**

There is no material litigation which is not in the ordinary course of business as at the date of this report.

**12 Dividend**

The Directors do not propose the payment of any interim dividend for the current quarter and financial period.



**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MAY 2010**

**13 Earnings per share**

*Basic earnings per share*

	<u>Current quarter</u>	<u>Year to-date</u>
	<b>RM</b>	<b>RM</b>
Net profit attributable to ordinary shareholders	376,231	376,231
Weighted average number of ordinary shares	128,000,000	128,000,000
Basic earnings per share (sen)	0.29	0.29

*Diluted earnings per share*

	<u>Current quarter</u>	<u>Year to-date</u>
	<b>RM</b>	<b>RM</b>
Net profit attributable to ordinary shareholders	376,231	376,231
Weighted average number of ordinary shares	128,000,000	128,000,000
Diluted earnings per share (sen)	0.29	0.29