

**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 30 NOVEMBER 2014**

		3 Months Ended		9 Months Ended	
		Current Quarter 30 NOV 2014 RM '000	Corresponding Quarter 30 NOV 2013 RM '000	Current Period to date 30 NOV 2014 RM '000	Corresponding Period to date 30 NOV 2013 RM '000
1.	Revenue	40,878	52,705	134,149	136,086
2.	Profit/(loss) before tax	6,866	6,339	12,508	14,379
3.	Profit/(loss) for the period	3,392	3,475	7,713	9,301
4.	Profit/(loss) attributable to ordinary equity holders of the parent	3,435	3,243	7,710	9,034
5.	Basic earnings/ (loss) per shares (sen)	2.68	2.53	6.02	7.06
6.	Proposed/declared dividend per share (sen)	0.00	0.00	2.00	2.00

		AS AT END OF CURRENT QUARTER	AS AT PRECEEDING FINANCIAL PERIOD END
7.	Net assets per share attributable to ordinary equity holders of the parent (RM)	2.19	2.13

**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 30 November 2014***(The figures have not been audited)*

	3 MONTHS ENDED		9 MONTHS ENDED	
	CURRENT QUARTER	CORRESPONDING QUARTER	CURRENT PERIOD TO DATE	CORRESPONDING PERIOD TO DATE
	30/11/2014 RM'000	30/11/2013 RM'000	30/11/2014 RM'000	30/11/2013 RM'000
REVENUE	40,878	52,705	134,149	136,086
COST OF SALES	(30,301)	(43,052)	(109,837)	(112,379)
GROSS PROFIT	10,577	9,653	24,312	23,707
OTHER OPERATING INCOME	387	618	3,455	1,708
MARKETING AND DISTRIBUTION COSTS	(670)	(855)	(5,075)	(1,913)
ADMINISTRATION EXPENSES	(2,315)	(2,522)	(6,926)	(6,846)
OTHER OPERATING EXPENSES	(955)	(872)	(2,852)	(1,801)
FINANCE COST	(330)	(340)	(1,019)	(1,103)
SHARE OF RESULT IN JOINT VENTURES	172	657	613	627
PROFIT BEFORE TAX	6,866	6,339	12,508	14,379
TAX EXPENSE	(3,474)	(2,864)	(4,795)	(5,078)
PROFIT FOR THE YEAR	3,392	3,475	7,713	9,301
UNREALISED GAIN / (LOSS) ON FOREIGN EXCHANGE	(235)	(26)	(192)	(592)
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATION	(22)	1	(17)	14
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>3,135</u>	<u>3,450</u>	<u>7,504</u>	<u>8,723</u>
PROFIT ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	3,435	3,243	7,710	9,034
MINORITY INTEREST	(43)	232	3	267
	<u>3,392</u>	<u>3,475</u>	<u>7,713</u>	<u>9,301</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	3,178	3,218	7,501	8,456
MINORITY INTEREST	(43)	232	3	267
	<u>3,135</u>	<u>3,450</u>	<u>7,504</u>	<u>8,723</u>
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:				
BASIC EARNINGS PER SHARE (SEN)	<u>2.68</u>	<u>2.53</u>	<u>6.02</u>	<u>7.06</u>
DILUTED EARNINGS PER SHARE (SEN)	<u>2.68</u>	<u>2.53</u>	<u>6.02</u>	<u>7.06</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2014 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 30 November 2014**

(The figures have not been audited)

	AS AT 30/11/2014 RM'000	AS AT 28/02/2014 RM'000
<u>ASSETS</u>		
PROPERTY, PLANT AND EQUIPMENT	74,495	74,810
OTHER INVESTMENTS	13	13
LAND HELD FOR PROPERTY DEVELOPMENT	144,495	151,885
INVESTMENT PROPERTIES	33,719	31,221
INVESTMENTS IN JOINT VENTURES	3,610	2,595
DEFERRED PLANTATION EXPENDITURES	-	4
DEFERRED TAX ASSETS	1,117	1,097
CURRENT ASSETS		
Property development costs	75,880	50,058
Inventories	13,735	15,754
Trade and other receivables	67,263	67,798
Sinking and redemption funds	191	239
Tax recoverable	936	865
Cash and bank balances	19,225	22,079
	<u>177,230</u>	<u>156,793</u>
TOTAL ASSETS	<u><u>434,679</u></u>	<u><u>418,418</u></u>
<u>EQUITY AND LIABILITIES</u>		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	128,000	128,000
Reserves	152,497	144,995
	<u>280,497</u>	<u>272,995</u>
Minority interest	5,091	5,089
	<u>285,588</u>	<u>278,084</u>
LONG TERM AND DEFERRED LIABILITIES		
Borrowings	28,833	28,361
Deferred taxation	16,718	16,756
	<u>45,551</u>	<u>45,117</u>
CURRENT LIABILITIES		
Progress Billings	41,759	29,139
Trade and other payables	37,656	31,553
Provision for infrastructure & renovation cost	3,692	3,777
Borrowings	18,320	29,359
Tax liabilities	2,113	1,389
	<u>103,540</u>	<u>95,217</u>
TOTAL EQUITY AND LIABILITIES	<u><u>434,679</u></u>	<u><u>418,418</u></u>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)		
	<u>2.19</u>	<u>2.13</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2014 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 period ended 30 November 2014***(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	Exchange Translation reserve RM'000	Retained profits RM'000	Sub-total RM'000		
Balance as at 1 March 2014	128,000	5,982	13	139,001	272,996	5,088	278,084
Additional minority interest' shares in subsidiary companies	-	-	-	-	-	-	-
Total comprehensive income	-	-	(17)	7,518	7,501	3	7,504
Dividend paid				-	-	-	-
Balance as at 30 November 2014	<u>128,000</u>	<u>5,982</u>	<u>(4)</u>	<u>146,519</u>	<u>280,497</u>	<u>5,091</u>	<u>285,588</u>
Balance as at 1 March 2013	128,000	5,982	-	127,882	261,864	8,021	269,885
Additional minority interest' shares in subsidiary companies	-	-	-	-	-	-	-
Total comprehensive income	-	-	14	8,442	8,456	267	8,723
Dividend paid			-	(3,620)	(3,620)	-	(3,620)
Balance as at 30 November 2013	<u>128,000</u>	<u>5,982</u>	<u>14</u>	<u>132,704</u>	<u>266,700</u>	<u>8,288</u>	<u>274,988</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 2014 and the accompanying explanatory notes attached to the financial statement)

**EUPE CORPORATION BERHAD***(Company No.: 377762-V)**(Incorporated in Malaysia under the Companies Act, 1965)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
for the financial period ended 30 November 2014**

(The figures have not been audited)

	9 MONTHS ENDED	
	30/11/2014	30/11/2013
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	141,469	124,851
Cash payments to suppliers and creditors	(110,613)	(103,930)
Cash payments to employees and for expenses	(16,599)	(18,673)
Cash generated from operations	<u>14,257</u>	<u>2,248</u>
Interest expenses - overdraft	(149)	(96)
Rental income received	237	267
Deposit received/(paid)	(2)	(122)
Insurance compensation received	98	68
Tax paid / (refund)	(4,193)	(5,784)
Net cash from operating activities	<u>10,248</u>	<u>(3,419)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	509	899
Dividend received	-	-
Purchase of property, plant and equipment & IP	(2,643)	(2,356)
Proceed from disposal of property, plant and equipment	12	-
Proceeds from sales of Investment Property	-	906
Subsequent expenditure on investment properties	(82)	(251)
Deposit refund / (paid) for acquisition of land	(1,471)	3,735
Gain from foreign exchange -land deposit	-	-
Subscription in ordinary shares of subsidiaries	-	-
Investment from joint ventures	3,202	1,165
Other investment	-	-
Fixed deposits released from pledge / (pledge to licensed bank)	86	(830)
Net cash used in investing activities	<u>(387)</u>	<u>3,268</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of share capital	-	-
Dividend paid	-	(5,320)
Drawdown of revolving credit	3,882	5,600
Drawdown of term loan	-	-
Drawdown of hire purchase loan	910	1,936
Net creation of bankers' acceptance	(288)	1,378
Repayment of revolving credit	(8,510)	(3,700)
Repayment of term loan	(6,487)	(4,102)
Repayment of hire purchase loan	(752)	(208)
Term loan interest paid	(1,514)	(1,728)
Revolving credit interest paid	(205)	(139)
Discount paid on bankers' acceptance	(199)	(146)
Hire purchase interest paid	(91)	(32)
(Repayment to)/Advance from director	-	-
Net cash used in financing activities	<u>(13,254)</u>	<u>(6,461)</u>
Net increase in cash and cash equivalents	<u>(3,393)</u>	<u>(6,612)</u>
Effect of exchange rate changes	(55)	(29)
Cash and cash equivalents at beginning of financial period	18,211	24,858
Cash and cash equivalents at end of financial period	<u><u>14,763</u></u>	<u><u>18,217</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 2014 and the accompanying explanatory notes attached to the financial Statements)



1 Basis of preparation

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

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 28 February 2014. The explanatory notes attached to the interim financial statements provide an 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 year ended 28 February 2014.

2 Accounting policies

The accounting policies, methods of computation & basis of consolidation adopted by the Group in the unaudited condensed interim financial statements are consistent with the audited financial statements for the year ended 28 February 2014 except for the adoption of the following new / revised Financial Reporting Standards (FRS), Amendments to FRSs and Interpretations as follows:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

- Amendments to FRS 10 Consolidated Financial Statements – Investment Entities
- Amendments to FRS 12 Disclosure of Interests in Other Entities – Investment Entities
- Amendments to FRS 127 Separate Financial Statements – Investment Entities
- Amendments to FRS 132 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 136 Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to FRS 139 – Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21 Levies

The adoptions of the above FRSs, Amendment to FRSs and IC Interpretations are not expected to have any material impact on the financial statements of the Group.

Malaysian Financial Reporting Standards (MFRS Framework)

The Group and the Company fall under the Transitioning Entities provision granted by the MASB because it is within the scope of IC 15 Agreements for the Construction of Real Estate and FRS 141 Agriculture. On 7 August 2013, MASB extended the transitional period for another year. Consequently, the adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.



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Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 28 February 2015. In presenting the Group's first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

3 Audit Report Qualification

The audited reports for the financial year ended 28 February 2014 were not subject to any qualification

4 Seasonal or cyclical factors

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

5 Exceptional or unusual items

There were no exceptional or unusual items for the current financial period.

6 Change in estimates of amounts reported previously

There were no changes in estimates reported in prior periods that have a material effect on the current financial period.

7 Debt and equity securities

There were no other issuance, cancellation, repurchases, resale and repayments of debt and equity securities for the current financial period.

8 Dividend paid

An interim single tier dividend of 1.5 sen per ordinary share amounting to RM1.92 million was paid on 12 December 2014 in respect of the financial year ending 28 February 2015.

9 Segmental information

For 9 months ended 30 November 2014:

	Property Development RM'000	Property Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Revenue	63,278	107,268	10,791	3,182	184,519
Inter-segment	-	(48,749)	-	(1,621)	(50,370)
	<u>63,278</u>	<u>58,519</u>	<u>10,791</u>	<u>1,561</u>	<u>134,149</u>



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Segment Result	9,591	3,380	(1,141)	1,236	13,066
Interest income					461
Finance costs					(1,019)
Profit before taxation					12,508
Taxation					(4,795)
Profit for the period					7,713

For 9 months ended 30 November 2013:

	Property Development RM'000	Property Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Revenue	87,765	95,021	10,883	1,855	195,524
Inter-segment	(8,808)	(50,171)	-	(459)	(59,438)
	78,957	44,850	10,883	1,396	136,086
Segment Result	12,576	3,095	(521)	(625)	14,525
Interest income					957
Finance costs					(1,103)
Profit before taxation					14,379
Taxation					(5,078)
Profit for the period					9,301

10 Valuation of property, plant and machinery

There were no valuation of property, plant and equipment carried out during the current financial period.

11 Valuation of investment properties

The value of such are based upon a valuation exercise carried out by independent firms of professional valuers. The valuation methods used in determining the valuation are the comparison method and cost method.

In the current quarter, a gain on revaluation of investment property amounting to RM2.3 million based on the market value of the freehold interest in the subject property in its existing conditions on en bloc basis with vacant possession and free from all encumbrances.

12 Material events subsequent

There were no material events subsequent to the end of the current quarter that have not been reflected in the interim financial report.



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13 Changes in composition of the Group

The Group has set up a wholly owned subsidiary company under the name of Oriental Plus Sdn Bhd, a company incorporated in Malaysia with an issued and paid-up ordinary share capital of RM2.00 comprising 2 ordinary shares of RM1.00 each, for a consideration of RM2.00 only.

14 Changes in contingent liabilities and contingent assets

The changes in contingent liabilities since the last annual balance sheet date made up to 30 November 2014 are as follows: -

	As at 1.3.2014 RM'000	Addition / (Deletion) RM'000	As at 30.11.2014 RM'000
Guarantees given to licensed banks for credit facilities utilised by the subsidiary companies	<u>44,260</u>	<u>(9,098)</u>	<u>35,162</u>
Guarantees given to suppliers for credit facilities utilised by the subsidiary companies	<u>1,439</u>	<u>-</u>	<u>1,439</u>
Total guarantees given for credit facilities available to the subsidiary companies	<u>101,017</u>	<u>(12,500)</u>	<u>113,517</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.

15 Capital commitments

The amount of capital commitments not provided for in the interim financial report as at 30 November 2014 is as follows:

	RM'000
Land held for property development:- Approved & uncontracted	<u>72,439</u>

16 Capital expenditures

The additions and disposals to the property, plant and equipment during the current financial period to date were as follows:

	RM'000
Purchase of property, plant and equipment	<u>2,643</u>



Additional information required by the BMSB's Listing Requirements

1 Review of performance

Property Development

Revenue for Q3 FYE 2015 was RM21.3 million, 7% worse than the preceding quarter at RM22.9 million, due to slower take-up rates of our ongoing projects & new launched of The Somerset. Compared to the corresponding quarter, property revenue was 28% lower at RM29.6 million.

Profits before tax (PBT) for Q3 FYE 2015 was RM5.9 million, an improvement of 30% compared to RM4.6 million in the preceding quarter, stemming from a higher composition of products with higher margin coupled with enhancement of cost rationalisation. PBT for Q3 FYE 2015 improved by 6% compared to the corresponding quarter (RM5.6 million).

Property Construction

Revenue for Q3 FYE 2015 was RM14.6 million, representing a drop of 27% compared to RM20.0 million in the preceding quarter and 22% lower than the corresponding quarter of RM18.7 million.

PBT for Q2 FYE 2015 was RM761 thousand, compared to RM874 thousand in the preceding quarter and RM1.3 million in the corresponding quarter. This was mainly resulted by the slower work progress due to tail-end of Phase 1 in Alma project.

Chalet and Golf Management

The revenue for Q3 FYE 2015 was RM4.4 million, 30% higher than the preceding quarter (RM3.4 million) and 12% better than the corresponding quarter (RM3.9 million).

PBT for Q3 FYE 2015 was RM415 thousand versus a loss of RM692 thousand in the preceding quarter. The result was slowly recovered from a loss of RM216 thousand in the corresponding quarter. The improvement mainly supported by good growth in the average room rate and high food & beverage business.

Others

Revenue for Q3 FYE 2015 was RM549 thousand, 19% better than the preceding quarter of RM460 thousand and 8% higher than the corresponding quarter of RM510 thousand.

The division made a loss of RM230 thousand in Q3 2015, RM394 thousand less than the preceding quarter and RM49 thousand less than the corresponding quarter.



2 Variance of results against preceding quarter

The group achieved revenue of RM40.9 million in Q3 FYE 2015 which was 12% lower than the preceding quarter. Of this the property and construction sector accounted for 16% shortfalls against the preceding quarter.

The group posted a higher PBT of RM6.9 million for Q3 FYE 2015 against a PBT of RM4.1 million in the preceding quarter.

3 Current year / future prospects

The market condition is expected to remain challenging in the near term in view of tougher lending guidelines coupled with increase of Overnight Policy Rate (OPR) by Bank Negara Malaysia.

In spite of the challenging environment, based on the on-going development projects and the level of work targeted to be completed, the Group's performance for the financial year ending 28 February 2015 is expected to be sustained.

4 Profit forecast

There were no profit forecast or profit guarantee for the current financial period to date.



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5 Taxation

	Current Quarter Q3 30 Nov 2014 RM'000	Preceding Quarter Q3 30 Nov 2013 RM'000	Current Period To-date 30 Nov 2014 RM'000	Preceding Period To-date 30 Nov 2013 RM'000
Current year taxation	3,379	1,214	4,733	3,523
Over provision in prior year	120	(36)	120	(57)
Section 110 (dividend)	-	1,700	-	1,700
Deferred taxation	(25)	(14)	(58)	(88)
	3,474	2,864	4,795	5,078

The effective tax rate for the financial year was higher than the statutory income tax rate in Malaysia due to the losses of certain subsidiaries that were not available for full set off against taxable profits of other subsidiaries and certain expenses which were not deductible for tax purposes.

6 Status of corporate proposal

There was no corporate proposal that has been announced as at the date of this announcement.

7 Borrowings and debt securities

The Group borrowings & debts securities as at 30 November 2014 were as follows:

	Secured RM'000
Bank Overdrafts	2,840
Short Term Bank Borrowings	15,480
Long Term Bank Borrowings	28,833
	47,153

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

8 Realised and unrealised profits / losses

The details of the Group retained earnings as at 30 November 2014 comprised as follows:

	As at 30.11.2014 RM' 000	As at 30.11.2013 RM' 000
Total retained earnings of the Company and its subsidiaries :		
- Realised profits	162,315	149,392
- Unrealised losses	(15,796)	(16,688)
Total retained profits as per consolidated accounts	146,519	132,704



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9 Changes in material litigation

There were no material litigations, which would have a material adverse effect on the financial results for the current financial period.

10 Dividend payable

The Board does not recommend the payment of any dividend for the current financial period.

11 Earnings per share

	Current Quarter RM	Year To-period RM
<i>Basic earnings per share</i>		
Net profit attributable to ordinary shareholders (RM'000)	3,392	7,713
Weighted average number of ordinary shares ('000)	128,000	128,000
Basic earnings per share (sen)	2.68	6.02

12 Notes to the Statement of Comprehensive Income

	Current Quarter RM'000	Period To-date RM'000
Interest income	181	461
Interest expense	(330)	(1,019)
Other income	206	692
Depreciation and amortization	(841)	(2,917)
Provision for write off of receivables	(27)	(81)
Fair value adjustment of Investment Properties	-	2302