

# EUPE CORPORATION BERHAD (377762-V)

## PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION

### SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2009

		Individual Quarter		Cumulative Quarter	
		Current yr. Quarter	Preceding yr. Corresponding Quarter	Current yr. to date	Preceding yr. to date
		<u>28 FEB 2009</u> RM '000	<u>29 FEB 2008</u> RM '000	<u>28 FEB 2009</u> RM '000	<u>29 FEB 2008</u> RM '000
1.	Revenue	31,051	44,525	126,270	153,625
2.	Profit/(loss) before tax	1,760	4,831	6,882	19,057
3.	Profit/(loss) for the period	2,143	4,122	5,004	13,309
4.	Profit/(loss) attributable to ordinary equity holders of the parent	2,030	4,211	4,891	13,402
5.	Basic earnings/ (loss) per shares (sen)	1.59	3.29	3.82	10.47
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 (377762-V)

Interim report for the financial year ended 28 February 2009

(The figures have not been audited)

## CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER (4th Q)		CUMULATIVE QUARTER (12 months)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE
	28/2/2009 RM'000	29/2/2008 RM'000	28/2/2009 RM'000	29/2/2008 RM'000
REVENUE	31,051	44,525	126,270	153,625
COST OF SALES	-26,366	-35,765	-105,828	-120,534
GROSS PROFIT	4,685	8,760	20,442	33,091
OTHER OPERATING INCOME	690	458	1,615	1,150
AMORTISATION OF RESERVE ON CONSOLIDATION	0	0	0	0
MARKETING AND DISTRIBUTION COSTS	-472	-1,113	-1,616	-2,289
ADMINISTRATION EXPENSES	-1,857	-2,293	-8,009	-8,661
OTHER OPERATING EXPENSES	-953	-572	-3,676	-2,675
FINANCIAL COST	-333	-409	-1,874	-1,559
SHARE OF RESULT OF AN ASSOCIATED COMPANY	0	0	0	0
PROFIT BEFORE TAXATION	1,760	4,831	6,882	19,057
TAXATION	383	-709	-1,878	-5,748
PROFIT FOR THE FINANCIAL PERIOD	2,143	4,122	5,004	13,309
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE PARENTS	2,030	4,211	4,891	13,402
MINORITY INTEREST	113	-89	113	-93
	2,143	4,122	5,004	13,309
BASIC EARNINGS PER ORDINARY SHARE (SEN)	1.59	3.29	3.82	10.47
DILUTED EARNINGS PER ORDINARY SHARE (SEN)	1.59	3.29	3.82	10.47

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 29 February 2008 and the accompanying explanatory notes attached to the financial statement)

# EUPE CORPORATION BERHAD (377762-V)

Interim report for the financial year ended 28 February 2009

(The figures have not been audited)

## CONDENSED CONSOLIDATED BALANCE SHEETS

	AS AT END OF FIRST QUARTER 28/2/2009 RM'000	PRECEEDING FINANCIAL YEAR 29/2/2008 RM'000
<b><u>ASSETS</u></b>		
PROPERTY, PLANT AND EQUIPMENT	54,794	57,096
PREPAID LAND LEASE PAYMENTS	30,411	31,152
OTHER INVESTMENTS	153	11
LAND HELD FOR PROPERTY DEVELOPMENT	111,198	136,060
INVESTMENT PROPERTIES	21,057	21,057
DEFERRED PLANTATION EXPENDITURES	1,029	1,154
DEFERRED TAX ASSETS	1,750	1,880
CURRENT ASSETS		
Property development costs	63,987	24,698
Inventories	10,325	11,475
Trade and other receivables	17,890	27,088
Sinking and redemption funds	803	886
Tax recoverable	2,879	836
Cash and bank balances	9,693	11,102
	<u>105,577</u>	<u>76,085</u>
TOTAL ASSETS	<u>325,969</u>	<u>324,495</u>
<b><u>EQUITY AND LIABILITIES</u></b>		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	128,000	128,000
Reserves	103,707	98,279
	<u>231,707</u>	<u>226,279</u>
Minority interest	113	-
	<u>231,820</u>	<u>226,279</u>
LONG TERM AND DEFERRED LIABILITIES		
Borrowings	8,875	7,747
Deferred taxation	18,258	18,614
	<u>27,133</u>	<u>26,361</u>
CURRENT LIABILITIES		
Trade and other payables	43,940	51,535
Provision for infrastructure cost	2,175	4,100
Borrowings	20,842	15,143
Tax liabilities	59	1,077
	<u>67,016</u>	<u>71,855</u>
TOTAL EQUITY AND LIABILITIES	<u>325,969</u>	<u>324,495</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)		
	<u>1.81</u>	<u>1.77</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 29 February 2008 and the accompanying explanatory notes attached to the financial statement)

# EUPE CORPORATION BERHAD (377762-V)

Interim report for the financial year ended 28 February 2009

(The figures have not been audited)

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	12 MONTHS ENDED 28/2/2009 RM'000	12 MONTHS ENDED 29/2/2008 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	143,646	144,222
Cash payments to suppliers and creditors	(113,867)	(102,180)
Cash payments to employees and for expenses	(18,615)	(20,467)
	<hr/>	<hr/>
Cash generated from operations	11,164	21,575
Interest income received	-	33
Interest expenses - overdraft	(162)	(120)
Rental income received	270	207
Deposit received/(paid)	(146)	48
Insurance compensation received	174	91
Tax paid/(refund)	(5,165)	(8,792)
	<hr/>	<hr/>
Net cash from operating activities	6,135	13,042
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	292	351
Dividend received	1	-
Proceed from disposal of property, plant and equipment	1	2
Purchase of property, plant and equipment	(1,163)	(2,281)
Acquisition of freehold land	(11,475)	-
Other investment	(141)	-
Fixed deposits released from pledge / (pledge to licensed bank)	410	(40)
	<hr/>	<hr/>
Net cash used in investing activities	(12,075)	(1,968)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of term loan	8,776	726
Drawdown of revolving credit	4,100	2,000
Net creation of bankers' acceptance	1,057	2,244
Repayment of term loan	(6,705)	(5,777)
Repayment of revolving credit	(500)	(4,000)
Repayment of hire purchase loan	(225)	(242)
Term loan interest paid	(1,514)	(1,410)
Revolving credit interest paid	(146)	(61)
Bankers' acceptance - discount	(179)	(54)
Hire purchase interest paid	(13)	(24)
Repayment to director	(34)	(33)
	<hr/>	<hr/>
Net cash used in financing activities	4,617	(6,631)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	(1,323)	4,443
Cash and cash equivalents at beginning of financial year	8,034	3,591
	<hr/>	<hr/>
Cash and cash equivalents at end of financial period	6,711	8,034
	<hr/> <hr/>	<hr/> <hr/>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 29 February 2008 and the accompanying explanatory notes attached to the financial statement)

## EUPE CORPORATION BERHAD (377762-V)

Interim report for the financial year ended 28 February 2009  
(The figures have not been audited)

### Condensed Consolidated Statement of Changes in Equity

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENTS					MINORITY INTEREST	TOTAL EQUITY
	Share capital	Share premium	Share option reserve	Retained profits	Sub-total		
	RM'000	RM'000	RM'000	RM'000	RM'000		
Balance as at 1 March 2008	128,000	5,982	1,377	90,920	226,279	-	226,279
Share option granted under ESOS	-	-	537	-	537	-	537
Net profit for the financial period	-	-	-	4,891	4,891	113	5,004
Balance as at 28 February 2009	<u>128,000</u>	<u>5,982</u>	<u>1,914</u>	<u>95,811</u>	<u>231,707</u>	<u>113</u>	<u>231,820</u>
Balance as at 1 March 2007	128,000	5,982	-	76,471	210,453	92	210,545
Share option granted under ESOS	-	-	1,377	-	1,377	-	1,377
Remeasurement of deferred tax liabilities	-	-	-	1,047	1,047	-	1,047
Net profit for the financial period	-	-	-	13,402	13,402	(92)	13,310
Balance as at 29 February 2008	<u>128,000</u>	<u>5,982</u>	<u>1,377</u>	<u>90,920</u>	<u>226,279</u>	<u>-</u>	<u>226,279</u>

(The Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 29 February 2008 and the accompanying explanatory notes attached to the financial statement)

**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2009**

**1 Basis of preparation**

The financial statements are unaudited and have been prepared in accordance with FRS 134<sub>2004</sub>, 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 29 February 2008.

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 29 February 2008 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 March 2008.

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provision, Contingent Liabilities and Contingent Assets

The Group has not adopted FRS 139, Financial Instruments: Recognition and Measurement which the effective date has yet to be announced.

The adoption of the above FRSs does not have significant financial impact on the accounting policies of the Group.

**2 Qualification of financial statement**

There was no qualification in the audited financial statements for the year ended 29 February 2008.

**3. Seasonal or cyclical factors**

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

**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.

**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2009**

**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	
	<----- 12 months ended ----->			
	28.2.09	28.2.08	28.2.09	28.2.08
	RM'000	RM'000	RM'000	RM'000
Chalet and Golf Management	16,259	17,454	(693)	2,523
Property Development	82,019	110,404	6,771	14,375
Property Construction	100,112	105,487	2,283	7,329
Others	2,792	13,681	401	13,516
	<u>201,182</u>	<u>247,026</u>	<u>8,762</u>	<u>37,743</u>
Inter-segment elimination	<u>(74,912)</u>	<u>(93,401)</u>	<u>(1,880)</u>	<u>(18,686)</u>
	<u><u>126,270</u></u>	<u><u>153,625</u></u>	<u><u>6,882</u></u>	<u><u>19,057</u></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.

**11 Changes in composition of the Group**

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

**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2009**

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

The changes in contingent liabilities since the last annual balance sheet date made up to 28 February 2009 are as follows: -

	<b>As at 1.3.2008 RM'000</b>	<b>Addition / (Deletion) RM'000</b>	<b>As at 29.2.2009 RM'000</b>
Guarantees given to licensed banks for credit facilities utilised by the subsidiary companies	<u>23,134</u>	<u>6,942</u>	<u>30,076</u>
Guarantees given to suppliers for credit facilities utilised by the subsidiary companies	<u>861</u>	<u>(73)</u>	<u>788</u>
Total guarantees given for credit facilities available to the subsidiary companies	<u>68,190</u>	<u>5,500</u>	<u>73,690</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 28 February 2009, the Group made the following payments to purchase property, plant and equipment: -

Cash payment on purchase of property, plant and equipment	<b>RM</b> 1,162,637
Financed by hire purchase arrangement	-
Purchase of property, plant and equipment	<u>1,162,637</u>



**EUPE CORPORATION BERHAD (377762-V)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2009**

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

**1 Review of performance**

The revenue recorded in Q4 2009 decreased by 30% to RM31.051 million as compared to Q4 2008. Correspondingly, the profit before tax dropped by 64% to RM1.760 million. This was mainly due to the slow down in the sales of properties during the financial period under review as a consequence of the global economic downturn.

**2 Variance of results against preceding quarter**

The Group's turnover for the current quarter increased by 18% to RM31.051 million as compared to RM26.310 million recorded in the preceding quarter. Profit before tax rose by 380% to RM1.760 million. This is mainly due to the general improvement in the overall business of the Group.

**3 Current year / future prospects**

The year started out as an uncertain one, with governments in many countries intervening to restore confidence in financial institutions. This, among other things seems to have stabilized the economies somewhat. Although an immediate recovery is not expected, the management believes that there are opportunities to be reaped in these challenging times. Cashflow preservation is important to take advantage of opportunities that arise. Therefore, although the management is adopting a cautious stance by holding back high end property launches whilst continuing to proceed with mass market properties; it is reasonably confident that the Group's low cost structure will enable it to take advantage of the upside of the economic crisis.

**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 YEAR ENDED 28 FEBRUARY 2009**

**5 Taxation**

	<b>CURRENT QUARTER Q4 28 FEB 2009 RM'000</b>	<b>PRECEDING QUARTER Q4 29 FEB 2008 RM'000</b>	<b>CURRENT YEAR TO DATE 28 FEB 2009 RM'000</b>	<b>PRECEDING YEAR TO DATE 29 FEB 2008 RM'000</b>
Current year taxation	(339)	2,387	2,302	7,383
Real property gain tax	-	231	-	231
	(339)	2,618	2,302	7,614
Deferred taxation	(2)	(1,890)	(226)	(2,164)
	(341)	728	2,076	5,450
Under/(Over) provision in previous years	(42)	(19)	(198)	298
	(383)	709	1,878	5,748

The lower effective tax rate as compared to the statutory tax rate of 25% for the current year current quarter is mainly due to the crystallization of deferred tax arising from realization of group land cost. However, the higher effective tax rate as compared to the statutory tax rate of 25% for the current year to date is mainly due to 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**

The shareholders at the Company's Annual General Meeting on 25 August 2008 approved the Proposed Share Buy-Back.

**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2009**

**9 Borrowings and debt securities**

	<b>CURRENT FINANCIAL YEAR END 28.2.2009 RM' 000</b>	<b>PRECEDING FINANCIAL YEAR END 29.2.2008 RM' 000</b>
<b><u>Borrowings – unsecured</u></b>		
<u>Repayable within the next 12 months</u>		
Term loans	894	1,744
Revolving credit	3,000	3,500
Bankers' acceptance	2,249	2,244
Bank overdraft	554	197
	<hr/> 6,697	<hr/> 7,685
<u>Repayable after the next 12 months</u>		
Term loans	<hr/> 2,093	<hr/> 1,080
<b><u>Borrowings – secured</u></b>		
<u>Repayable within the next 12 months</u>		
Term loans	7,099	5,430
Revolving credit	4,100	-
Bankers' acceptance	1,052	-
Bank overdraft	1,782	1,814
Hire purchase creditors	112	213
	<hr/> 14,145	<hr/> 7,457
<u>Repayable after the next 12 months</u>		
Term loans	6,782	6,555
Hire purchase creditors	-	112
	<hr/> 6,782	<hr/> 6,667

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 YEAR ENDED 28 FEBRUARY 2009**

**13 Earnings per share**

*Basic earnings per share*

	<u>Current quarter</u>	<u>Year to-date</u>
	<u>RM</u>	<u>RM</u>
Net profit attributable to ordinary shareholders	2,030,159	4,891,248
Weighted average number of ordinary shares	128,000,000	128,000,000
Basic earnings per share (sen)	<u>1.59</u>	<u>3.82</u>

*Diluted earnings per share*

	<u>Current quarter</u>	<u>Year to-date</u>
	<u>RM</u>	<u>RM</u>
Net profit attributable to ordinary shareholders	2,030,159	4,891,248
Weighted average number of ordinary shares	128,000,000	128,000,000
Diluted earnings per share (sen)	<u>1.59</u>	<u>3.82</u>