

**EUPE CORPORATION BERHAD (377762-V)****PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION****SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2010**

		Individual Quarter		Cumulative Quarter	
		Current yr. Quarter	Preceding yr. Corresponding Quarter	Current yr. to date	Preceding yr. to date
		<u>28 FEB 2010</u> RM '000	<u>28 FEB 2009</u> RM '000	<u>28 FEB 2010</u> RM '000	<u>28 FEB 2009</u> RM '000
1.	Revenue	35,497	31,051	108,685	126,270
2.	Profit/(loss) before tax	2,284	1,760	7,046	6,882
3.	Profit/(loss) for the period	2,509	2,143	5,126	5,004
4.	Profit/(loss) attributable to ordinary equity holders of the parent	2,153	2,030	3,591	4,891
5.	Basic earnings/ (loss) per shares (sen)	1.68	1.59	2.81	3.82
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)

Interim report for the financial year ended 28 February 2010

(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
	28/2/2010 RM'000	28/2/2009 RM'000	28/2/2010 RM'000	28/2/2009 RM'000
REVENUE	35,497	31,051	108,685	126,270
COST OF SALES	-28,450	-26,366	-87,922	-105,828
GROSS PROFIT	7,047	4,685	20,763	20,442
OTHER OPERATING INCOME	1,632	690	2,320	1,615
AMORTISATION OF RESERVE ON CONSOLIDATION	0	0	0	0
MARKETING AND DISTRIBUTION COSTS	-3,306	-472	-4,263	-1,616
ADMINISTRATION EXPENSES	-2,210	-1,857	-8,227	-8,009
OTHER OPERATING EXPENSES	-650	-953	-2,362	-3,676
FINANCIAL COST	-229	-333	-1,185	-1,874
SHARE OF RESULT OF AN ASSOCIATED COMPANY	0	0	0	0
PROFIT BEFORE TAXATION	2,284	1,760	7,046	6,882
TAXATION	225	383	-1,920	-1,878
PROFIT FOR THE FINANCIAL PERIOD	2,509	2,143	5,126	5,004
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE PARENTS	2,153	2,030	3,591	4,891
MINORITY INTEREST	356	113	1,535	113
	2,509	2,143	5,126	5,004
BASIC EARNINGS PER ORDINARY SHARE (SEN)	1.68	1.59	2.81	3.82
DILUTED EARNINGS PER ORDINARY SHARE (SEN)	1.68	1.59	2.81	3.82

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2009 and the accompanying explanatory notes attached to the financial statement)

Interim report for the financial year ended 28 February 2010

(The figures have not been audited)

CONDENSED CONSOLIDATED BALANCE SHEETS

	AS AT END OF FORTH QUARTER 28/02/2010 RM'000	PRECEEDING FINANCIAL YEAR 28/2/2009 RM'000
<u>ASSETS</u>		
PROPERTY, PLANT AND EQUIPMENT	52,096	54,794
PREPAID LAND LEASE PAYMENTS	29,670	30,411
OTHER INVESTMENTS	155	153
LAND HELD FOR PROPERTY DEVELOPMENT	89,803	111,198
INVESTMENT PROPERTIES	22,427	21,057
DEFERRED PLANTATION EXPENDITURES	905	1,029
DEFERRED TAX ASSETS	1,964	1,750
CURRENT ASSETS		
Property development costs	88,034	63,987
Inventories	8,195	10,325
Trade and other receivables	25,023	17,890
Sinking and redemption funds	720	803
Tax recoverable	3,537	2,879
Cash and bank balances	6,267	9,693
	<u>131,776</u>	<u>105,577</u>
TOTAL ASSETS	<u>328,796</u>	<u>325,969</u>
<u>EQUITY AND LIABILITIES</u>		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	128,000	128,000
Reserves	107,394	103,707
	<u>235,394</u>	<u>231,707</u>
Minority interest	1,648	113
	<u>237,042</u>	<u>231,820</u>
LONG TERM AND DEFERRED LIABILITIES		
Borrowings	6,027	8,875
Deferred taxation	17,523	18,258
	<u>23,550</u>	<u>27,133</u>
CURRENT LIABILITIES		
Trade and other payables	48,048	43,940
Provision for infrastructure cost	1,975	2,175
Borrowings	17,284	20,842
Tax liabilities	897	59
	<u>68,204</u>	<u>67,016</u>
TOTAL EQUITY AND LIABILITIES	<u>328,796</u>	<u>325,969</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)		
	<u>1.84</u>	<u>1.81</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2009 and the accompanying explanatory notes attached to the financial statement)

Interim report for the financial year ended 28 February 2010
(The figures have not been audited)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	12 MONTHS ENDED 28/02/2010 RM'000	12 MONTHS ENDED 28/02/2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	104,158	143,646
Cash payments to suppliers and creditors	(77,101)	(114,135)
Cash payments to employees and for expenses	(19,336)	(16,587)
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Cash generated from operations	7,721	12,924
Interest expenses - overdraft	(155)	(162)
Rental income received	230	270
Deposit received/(paid)	(75)	(146)
Insurance compensation received	24	174
Tax paid	(2,690)	(5,165)
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Net cash from operating activities	5,055	7,895
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	182	292
Dividend received	2	1
Purchase of property, plant and equipment	(921)	(1,163)
Proceed from disposal of property, plant and equipment	1	1
Acquisition of freehold land	-	(13,318)
Other investment	(2)	(141)
Net withdrawal of sinking and redemption fund	-	83
Fixed deposits released from pledge / (pledge to licensed bank)	(52)	410
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Net cash used in investing activities	(790)	(13,835)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loan	-	8,776
Drawdown of revolving credit	1,900	4,100
Net creation of bankers' acceptance	280	1,057
Repayment of term loan	(7,949)	(6,705)
Repayment of revolving credit	(500)	(500)
Repayment of hire purchase loan	(112)	(225)
Term loan interest paid	(895)	(1,514)
Revolving credit interest paid	(283)	(146)
Discount paid on bankers' acceptance	(130)	(179)
Hire purchase interest paid	(3)	(13)
Repayment to director	(26)	(34)
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Net cash used in financing activities	(7,718)	4,617
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Net increase in cash and cash equivalents	(3,453)	(1,323)
Cash and cash equivalents at beginning of financial year	6,711	8,034
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Cash and cash equivalents at end of financial period	3,258	6,711
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(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2009 and the accompanying explanatory notes attached to the financial statement)

Interim report for the financial year ended 28 February 2010
(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 2009	128,000	5,982	1,914	95,811	231,707	113	231,820
Share option granted under ESOS	-	-	95	-	95	-	95
Net profit/(loss) for the financial period	-	-	-	3,592	3,592	1,535	5,127
Balance as at 28 February 2010	<u>128,000</u>	<u>5,982</u>	<u>2,009</u>	<u>99,403</u>	<u>235,394</u>	<u>1,648</u>	<u>237,042</u>
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>

(The Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2009 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 2010

1 Basis of preparation

The financial statements are unaudited and have been prepared in accordance with FRS 134₂₀₀₄, 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 2009.

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 2009.

At the date of authorisation of these interim financial statements, the following new/revised Financial Reporting Standards (“FRS”) and Interpretations were issued but not yet effective and have not been applied by the Group.

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 123	Borrowing Costs
FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
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
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
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 upon their effective dates.

2 Qualification of financial statement

There was no qualification in the audited financial statements for the year ended 28 February 2009.



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
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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.

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 ----->			
	28.2.10	28.2.09	28.2.10	28.2.09
	RM'000	RM'000	RM'000	RM'000
Chalet and Golf Management	14,435	16,259	(1,304)	(693)
Property Development	74,078	82,019	5,902	6,771
Property Construction	76,200	100,112	2,183	2,283
Others	4,964	2,792	4,000	401
	<u>169,677</u>	<u>201,182</u>	<u>10,781</u>	<u>8,762</u>
Inter-segment elimination	<u>(60,992)</u>	<u>(74,912)</u>	<u>(3,735)</u>	<u>(1,880)</u>
	<u>108,685</u>	<u>126,270</u>	<u>7,046</u>	<u>6,882</u>

9 Revaluation of property, plant and machinery

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



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2010

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

On 2 March 2009, Eupe Golf Recreation & Tour Sdn. Bhd., a wholly-owned subsidiary of the Company, acquired 2 ordinary shares of RM1.00 each, being the entire issued share capital of Spring Ritz Sdn. Bhd. ("SRSB"), a company incorporated in Malaysia for a cash consideration of RM2. SRSB was incorporated on 17 November 2008. The change of name from Spring Ritz Sdn. Bhd. to Cinta Sayang Management Sdn. Bhd. ("CSM") was on 13 March 2009.

On 2 March 2009, Eupe Golf Recreation & Tour Sdn. Bhd., a wholly-owned subsidiary of the Company, acquired 2 ordinary shares of RM1.00 each, being the entire issued share capital of Posh Vista Sdn. Bhd. ("PVSB"), a company incorporated in Malaysia for a cash consideration of RM2. PVSB was incorporated on 13 November 2008. The change of name from Posh Vista Sdn. Bhd. to The Carnivall Management Sdn. Bhd. ("TCM") was on 13 March 2009.

CSM and TCM have not commenced operations since its incorporation. The acquisition of CSM and TCM will not have any material effect on the net tangible assets or earnings of the Company and its subsidiaries for the financial period ended 31 August 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 2010 are as follows: -

	As at 1.3.2009 RM'000	Addition / (Deletion) RM'000	As at 28.2.2010 RM'000
Guarantees given to licensed banks for credit facilities utilised by the subsidiary companies	<u>30,076</u>	<u>(6,291)</u>	<u>23,785</u>
Guarantees given to suppliers for credit facilities utilised by the subsidiary companies	<u>788</u>	<u>(38)</u>	<u>750</u>
Total guarantees given for credit facilities available to the subsidiary companies	<u>73,690</u>	<u>(17,650)</u>	<u>56,040</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.



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2010

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 2010, the Group made the following payments to purchase property, plant and equipment: -

	RM
Cash payment on purchase of property, plant and equipment	921,362
Financed by hire purchase arrangement	-
Purchase of property, plant and equipment	<u>921,362</u>

Additional information required by the BMSB's Listing Requirements

1 Review of performance

The revenue recorded in Q4 2010 increased by 14% to RM35.497 million as compared to Q4 2009. This was mainly the result of strong takeup rates in the last quarter, namely from the Group's Seri Astana E and Cinta Sayang Resort Homes projects. The recognition of revenue from the development projects at Seri Astana Parcel E and Puncak Surya, subsequent to the commencement of construction activities was also a contributing factor.

The profit before tax of the Group increased by 30% to RM2.284 million as compared to Q4 2009. The reasons are as above.

2 Variance of results against preceding quarter

The Group's turnover for the current quarter increased by 47% to RM35.497 million as compared to RM24.117 million recorded in the preceding quarter. Correspondingly, profit before tax increased by 6% to RM2.284 million. The pick up in demand for the Cinta Sayang Resort Homes and Seri Astana E projects was one of the key factors for this.

3 Current year / future prospects

High confidence spurred by stronger consumer and business sentiment suggests that domestic demand will drive Malaysia's growth this year. The pick up in the manufacturing sector and a stronger job market also bode well for this. However, rising inflation expectations point to more interest rate hikes which would negatively impact the property sector.



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2010

On the back of this and based on the current year's performance and customer response, the Group is positive about the year ahead as it plans to launch several new projects to complement existing ones. Diversifying its portfolio to include high end properties, commercial developments and mass housing which will target different segments of the market, the Group believes that it is well positioned to reap the opportunities present in a market poised for further growth.

4 Profit forecast

This is not applicable as no profit forecast was published.

5 Taxation

	CURRENT QUARTER Q4 28 FEB 2010 RM'000	PRECEDING QUARTER Q4 28 FEB 2009 RM'000	CURRENT YEAR TO DATE 28 FEB 2010 RM'000	PRECEDING YEAR TO DATE 28 FEB 2009 RM'000
Current year taxation	542	(339)	2,963	2,302
Real property gain tax	-	-	-	-
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Deferred taxation	542	(339)	2,963	2,302
	(734)	(2)	(949)	(226)
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	(192)	(341)	2,014	2,076
Under/(Over) provision in previous years	(33)	(42)	(94)	(198)
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	(225)	(383)	1,920	1,878

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 YEAR ENDED 28 FEBRUARY 2010

9 Borrowings and debt securities

	CURRENT FINANCIAL PERIOD END 28.2.2010 RM' 000	PRECEDING FINANCIAL YEAR END 28.2.2009 RM' 000
<u>Borrowings – unsecured</u>		
<u>Repayable within the next 12 months</u>		
Term loans	941	894
Revolving credit	2,500	3,000
Bankers' acceptance	2,328	2,249
Bank overdraft	1,102	554
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	6,871	6,697
 <u>Repayable after the next 12 months</u>		
Term loans	2,044	2,093
	<hr/>	<hr/>
	2,044	2,093
 <u>Borrowings – secured</u>		
<u>Repayable within the next 12 months</u>		
Term loans	1,951	7,099
Revolving credit	6,000	4,100
Bankers' acceptance	1,253	1,052
Bank overdraft	1,209	1,782
Hire purchase creditors	-	112
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	10,413	14,145
 <u>Repayable after the next 12 months</u>		
Term loans	3,983	6,782
Hire purchase creditors	-	-
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	3,983	6,782

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 2010

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	2,153,487	3,591,350
Weighted average number of ordinary shares	128,000,000	128,000,000
Basic earnings per share (sen)	<u>1.68</u>	<u>2.81</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	2,153,487	3,591,350
Weighted average number of ordinary shares	128,000,000	128,000,000
Diluted earnings per share (sen)	<u>1.68</u>	<u>2.81</u>