

**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 AUGUST 2011**

		Individual Quarter		Cumulative Quarter	
		Current yr. Quarter <u>31 AUG 2011</u> RM '000	Preceding yr. Corresponding Quarter <u>31 AUG 2010</u> RM '000	Current yr. to date <u>31 AUG 2011</u> RM '000	Preceding yr. to date <u>31 AUG 2010</u> RM '000
1.	Revenue	40,973	26,016	75,260	53,215
2.	Profit/(loss) before tax	3,113	1,675	5,711	2,878
3.	Profit/(loss) for the period	2,054	1,078	3,674	1,718
4.	Profit/(loss) attributable to ordinary equity holders of the parent	1,202	434	2,245	810
5.	Basic earnings/ (loss) per shares (sen)	0.94	0.34	1.75	0.63
6.	Proposed/declared dividend per share (sen)	0	0	0	0
		AS AT END OF CURRENT QUARTER		AS AT PRECEEDING FINANCIAL YEAR END	
7.	Net assets per share attributable to ordinary equity holders of the parent (RM)	1.90		1.88	



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 August 2011

(The figures have not been audited)

	INDIVIDUAL QUARTER (2nd Q)		CUMULATIVE QUARTER (6 months)	
	CURRENT YEAR QUARTER 31/8/2011 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/8/2010 RM'000	CURRENT YEAR TO DATE 31/8/2011 RM'000	PRECEDING YEAR TO DATE 31/8/2010 RM'000
REVENUE	40,973	26,016	75,260	53,215
COST OF SALES	(34,234)	(20,483)	(62,864)	(43,400)
GROSS PROFIT	<u>6,739</u>	<u>5,533</u>	<u>12,396</u>	<u>9,815</u>
OTHER OPERATING INCOME	368	818	758	1,026
MARKETING AND DISTRIBUTION COSTS	(571)	(831)	(914)	(1,367)
ADMINISTRATION EXPENSES	(2,202)	(2,996)	(4,192)	(5,058)
OTHER OPERATING EXPENSES	(905)	(636)	(1,695)	(1,097)
FINANCIAL COST	(316)	(213)	(642)	(441)
PROFIT BEFORE TAX	<u>3,113</u>	<u>1,675</u>	<u>5,711</u>	<u>2,878</u>
TAX EXPENSE	(1,059)	(597)	(2,037)	(1,160)
PROFIT FOR THE FINANCIAL PERIOD	<u><u>2,054</u></u>	<u><u>1,078</u></u>	<u><u>3,674</u></u>	<u><u>1,718</u></u>
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE PARENT	1,202	434	2,245	810
MINORITY INTEREST	852	644	1,429	908
	<u><u>2,054</u></u>	<u><u>1,078</u></u>	<u><u>3,674</u></u>	<u><u>1,718</u></u>
BASIC EARNINGS PER ORDINARY SHARE (SEN)	<u><u>0.94</u></u>	<u><u>0.34</u></u>	<u><u>1.75</u></u>	<u><u>0.63</u></u>
DILUTED EARNINGS PER ORDINARY SHARE (SEN)	<u><u>0.94</u></u>	<u><u>0.34</u></u>	<u><u>1.75</u></u>	<u><u>0.63</u></u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2011 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 August 2011

(The figures have not been audited)

	AS AT END OF SECOND QUARTER 31/8/2011 RM'000	AS AT PRECEDING FINANCIAL YEAR 28/2/2011 RM'000
<u>ASSETS</u>		
PROPERTY, PLANT AND EQUIPMENT	78,185	78,582
OTHER INVESTMENTS	162	159
LAND HELD FOR PROPERTY DEVELOPMENT	114,557	125,064
INVESTMENT PROPERTIES	21,919	21,918
DEFERRED PLANTATION EXPENDITURES	310	371
DEFERRED TAX ASSETS	1,345	1,345
CURRENT ASSETS		
Property development costs	55,826	49,573
Inventories	20,804	20,889
Trade and other receivables	31,477	33,520
Sinking and redemption funds	809	785
Tax recoverable	3,200	2,872
Cash and bank balances	19,535	15,358
	<u>131,651</u>	<u>122,997</u>
TOTAL ASSETS	<u>348,129</u>	<u>350,436</u>
<u>EQUITY AND LIABILITIES</u>		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	128,000	128,000
Reserves	114,619	112,374
	<u>242,619</u>	<u>240,374</u>
Minority interest	4,842	3,413
	<u>247,461</u>	<u>243,787</u>
LONG TERM AND DEFERRED LIABILITIES		
Borrowings	10,787	10,830
Deferred taxation	17,029	17,087
	<u>27,816</u>	<u>27,917</u>
CURRENT LIABILITIES		
Progress Billings	29,557	35,975
Trade and other payables	25,410	26,231
Provision for infrastructure cost	1,739	1,739
Borrowings	14,686	13,903
Tax liabilities	1,460	884
	<u>72,852</u>	<u>78,732</u>
TOTAL EQUITY AND LIABILITIES	<u>348,129</u>	<u>350,436</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)		
	<u>1.90</u>	<u>1.88</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2011 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 period ended 31 August 2011***(The figures have not been audited)*

	6 MONTHS ENDED 31/8/2011 RM'000	6 MONTHS ENDED 31/8/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	76,225	67,993
Cash payments to suppliers and creditors	(54,240)	(50,263)
Cash payments to employees and for expenses	(11,010)	(10,468)
Cash generated from operations	10,975	7,262
Interest expenses - overdraft	(59)	(72)
Rental income received	240	122
Deposit received/(paid)	17	(1,308)
Insurance compensation received	55	206
Tax paid	(1,848)	(1,512)
Net cash from operating activities	9,380	4,698
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	179	64
Dividend received	1	1
Purchase of property, plant and equipment	(1,655)	(397)
Proceed from disposal of property, plant and equipment	-	20
Deposit refund / (paid) for acquisition of land	(5,763)	-
Gain from foreign exchange -land deposit	62	-
Investment from JV company	1,975	-
Other investment	(3)	(2)
Fixed deposits released from pledge / (pledge to licensed bank)	(351)	(211)
Net cash used in investing activities	(5,555)	(525)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of revolving credit	2,400	-
Drawdown of hire purchase loan	-	85
Net creation of bankers' acceptance	652	(5)
Repayment of term loan	(1,099)	(2,468)
Repayment of revolving credit	(1,000)	-
Repayment of hire purchase loan	(8)	(1)
Term loan interest paid	(490)	(280)
Revolving credit interest paid	(157)	(168)
Discount paid on bankers' acceptance	(90)	(80)
Hire purchase interest paid	(2)	-
Net cash used in financing activities	206	(2,917)
Net increase in cash and cash equivalents	4,031	1,256
Cash and cash equivalents at beginning of financial year	12,677	3,257
Cash and cash equivalents at end of financial period	16,708	4,513

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2011 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 31 August 2011***(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 2011	128,000	5,982	-	106,392	240,374	3,413	243,787
Share option granted under ESOS	-	-	-	-	-	-	-
Profit for the financial period	-	-	-	2,245	2,245	1,429	3,674
Balance as at 31 August 2011	<u>128,000</u>	<u>5,982</u>	<u>-</u>	<u>108,637</u>	<u>242,619</u>	<u>4,842</u>	<u>247,461</u>
Balance as at 1 March 2010	128,000	5,982	2,009	99,402	235,393	1,649	237,042
Share option granted under ESOS	-	-	(2,009)	2,009	-	-	-
Profit for the financial period	-	-	-	1,718	1,718	-	1,718
Balance as at 31 August 2010	<u>128,000</u>	<u>5,982</u>	<u>-</u>	<u>103,129</u>	<u>237,111</u>	<u>1,649</u>	<u>238,760</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 2011 and the accompanying explanatory notes attached to the financial statement)



EUPE CORPORATION BERHAD (37762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2011

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 2011.

The accounting policies and methods of computation adopted by the Group in these financial statements are consistent with the audited financial statements for the year ended 28 February 2011 except for the adoption of the following new/revised Financial Reporting Standards (“FRS”) and Interpretations effective for the financial period beginning 1 March 2011:

FRS 1	First-time Adoption of Financial Reporting Standards (revised 2010)
FRS 3	Business Combinations (revised)
FRS 124	Related Party Disclosures (revised)
FRS 127	Consolidated and Separate Financial Statements (revised 2010)
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 138	Intangible Assets
IC Interpretation 4	Determining Whether an Arrangement contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distribution of Non-cash Assets to Owners
IC Interpretation 18	Transfer of Assets from Customers
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretations 9	Reassessment of Embedded Derivatives
Amendment to IC Interpretation 14	Prepayments of a Minimum Funding Requirement
Amendments to IC Interpretation 15	Agreements for the Construction of Real Estate

The adoption of above FRSs, Amendments and IC Interpretations are not expected to have any significant impact on the financial statements of the Group except for the following:

FRS 127 (revised), Consolidated and Separate Financial Statements

FRS 127 (revised) has affected the Group’s accounting policies regarding changes in ownership interests in its subsidiaries that do not result in a change in control. Previously, in the absence of specific requirements in FRSs, increase in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised where appropriate; for decreases in interests in existing



EUPE CORPORATION BERHAD (37762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2011

subsidiaries that did not involve a loss of control, the difference between the consideration received and the carrying amount of the share of net assets disposed of was recognised in profit or loss. Under FRS 127 (revised), all such increases or decreases are dealt with in equity, with no impact on goodwill or profit or loss.

IC Interpretation 15 - Agreement for the Construction of Real Estate

This Interpretation clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Furthermore, the Interpretation provides guidance on how to determine whether an agreement is within the scope of FRS 111 Construction Contracts or FRS 118 Revenue.

The Group currently recognises revenue arising from property development projects using the stage of completion method. Upon the adoption of IC Interpretation 15, the Group may be required to change its accounting policy to recognise such revenues at completion, or upon or after delivery. The Group is in the process of evaluating the impact of this Interpretation.

2 Qualification of Audit Reports

There was no qualification in the audited financial statements for the year ended 28 February 2011.

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.



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2011

7 Dividend paid

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

8 Segmental information

	Revenue		Profit before taxation	
	<----- 6 months ended ----->			
	31.8.11	31.8.10	31.8.11	31.8.10
	RM'000	RM'000	RM'000	RM'000
Chalet and Golf Management	6,677	6,659	(1,007)	(926)
Property Development	53,070	34,827	6,267	3,164
Property Construction	51,015	38,015	412	1,841
Others	1,413	3,099	313	1,454
	<u>112,175</u>	<u>82,600</u>	<u>5,985</u>	<u>5,533</u>
Inter-segment elimination	(36,915)	(29,385)	(274)	(2,655)
	<u>75,260</u>	<u>53,215</u>	<u>5,711</u>	<u>2,878</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 (37762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2011

12 Changes in contingent liabilities and contingent assets

The changes in contingent liabilities since the last annual balance sheet date made up to 31 August 2011 are as follows: -

	As at 1.3.2011 RM'000	Addition / (Deletion) RM'000	As at 31.8.2011 RM'000
Guarantees given to licensed banks for credit facilities utilised by the subsidiary companies	<u>23,217</u>	<u>2,243</u>	<u>25,460</u>
Guarantees given to suppliers for credit facilities utilised by the subsidiary companies	<u>704</u>	<u>(188)</u>	<u>516</u>
Total guarantees given for credit facilities available to the subsidiary companies	<u>56,040</u>	<u>15,500</u>	<u>71,540</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 August 2011, the Group made the following payments to purchase property, plant and equipment: -

	RM
Cash payment on purchase of property, plant and equipment	1,655,403
Financed by hire purchase arrangement	<u>-</u>
Purchase of property, plant and equipment	<u>1,655,403</u>



EUPE CORPORATION BERHAD (37762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2011

Additional information required by the BMSB's Listing Requirements

1 Review of performance

Group revenue increased by 57% to RM40,973 million for Q2 of 2012 as compared to the corresponding Q2 of 2011. The higher revenue was due to higher sales for the Group's property development projects. The Group recorded an improved profit before tax of RM3,113 million in current quarter as compared to RM1,675 million in Q2 2012. This was mainly due to higher sales & better margins.

2 Variance of results against preceding quarter

Group revenue increased from RM34,287 million in the preceding quarter to RM40,973 million in the current quarter. Correspondingly, profit before tax climbed to RM3,113 million from RM2,598 million in the preceding quarter.

3 Current year / future prospects

Updates to Budget 2012 have unveiled positive measures to boost the property sector. The increase of the price ceiling for houses under My First House Scheme to RM400,000 will encourage greater property ownership. The revised RPGT regulations will help prevent a property bubble and curb speculation. This will not affect the markets we are in, where speculation is relatively scarce. Overall the updates bode well for the property sector in encouraging a greater percentage of the population to own their own home.

Although the mass housing township will continue to be a main source of income for the Group, it will introduce more upmarket communities in the coming year to cater to a more affluent target; a segment that seems to be increasing in tandem with improving wealth levels of society.

The market response for the Group's township is still encouraging. Barring unforeseen circumstances, the Group remains positive and optimistic about the year ahead.

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 AUGUST 2011

5 Taxation

	CURRENT QUARTER Q2 31 AUG 2011 RM'000	PRECEDING QUARTER Q2 31 AUG 2010 RM'000	CURRENT YEAR TO DATE 31 AUG 2011 RM'000	PRECEDING YEAR TO DATE 31 AUG 2010 RM'000
Current year taxation	1,100	752	2,096	1,363
Deferred taxation	(51)	(155)	(59)	(203)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,059	597	2,037	1,160
Under/(Over) provision in previous years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,059	597	2,037	1,160

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 (37762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2011

9 Borrowings and debt securities

	CURRENT FINANCIAL PERIOD END 31.8.2011 RM' 000	PRECEDING FINANCIAL YEAR END 28.2.2011 RM' 000
<u>Borrowings – unsecured</u>		
<u>Repayable within the next 12 months</u>		
Term loans	573	998
Revolving credit	2,000	2,000
Bankers' acceptance	2,579	2,416
Bank overdraft	101	68
Hire Purchase Creditors	8	16
	5,261	5,498
<u>Repayable after the next 12 months</u>		
Term loans	1,256	1,307
Hire Purchase Creditors	60	60
	1,316	1,367
<u>Borrowings – secured</u>		
<u>Repayable within the next 12 months</u>		
Term loans	1,252	1,881
Revolving credit	5,000	3,600
Bankers' acceptance	1,712	1,515
Bank overdraft	1,461	1,409
	9,425	8,405
<u>Repayable after the next 12 months</u>		
Term loans	9,471	9,463

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

10 Realised and Unrealised Profits/Losses

The details of the retained earnings as at 31 August 2011 comprised as follows:

	CURRENT FINANCIAL PERIOD END 31.8.2011 RM' 000	PRECEDING FINANCIAL YEAR END 28.2.2011 RM' 000
Total retained earnings of the Company and its subsidiaries :		
- Realised profits	124,211	122,783
- Unrealised losses	(15,684)	(16,392)
Total Group retained profits as per consolidated accounts	108,637	106,391



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2011

11 Off balance sheet financial instruments

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

12 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.

13 Dividend

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

14 Earnings per share

Basic earnings per share

	Current quarter RM	Year to-date RM
Net profit attributable to ordinary shareholders	1,202,112	2,245,457
Weighted average number of ordinary shares	128,000,000	128,000,000
Basic earnings per share (sen)	0.94	1.75

Diluted earnings per share

	Current quarter RM	Year to-date RM
Net profit attributable to ordinary shareholders	1,202,112	2,245,457
Weighted average number of ordinary shares	128,000,000	128,000,000
Diluted earnings per share (sen)	0.94	1.75