

EUPE CORPORATION BERHAD (377762-V)

PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION

SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2006

		Individual Quarter		Cumulative Quarter	
		Current yr. Quarter	Preceding yr. Corresponding Quarter	Current yr. to date	Preceding yr. to date
		<u>28 FEB 2006</u> RM '000	<u>28 FEB 2005</u> RM '000	<u>28 FEB 2006</u> RM '000	<u>28 FEB 2005</u> RM '000
1.	Revenue	38,115	10,706	99,730	45,925
2.	Profit/(loss) before tax	2,363	1,666	6,432	4,058
3.	Profit/(loss) after tax and minority interest	1,985	1,420	5,072	3,041
4.	Net profit/(loss) for the period	1,985	1,420	5,072	3,041
5.	Basic earnings/ (loss) per shares (sen)	1.55	1.11	3.96	2.38
6.	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)	1.55	1.53

EUPE CORPORATION BERHAD (377762-V)

Interim report for the financial year ended 28 February 2006

(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER (4th Q)		CUMULATIVE QUARTER (12 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE
	28/2/2006 RM'000	28/2/2005 RM'000	28/2/2006 RM'000	28/2/2005 RM'000
REVENUE	38,115	10,706	99,730	45,925
COST OF SALES	-33,006	-6,310	-83,548	-32,910
GROSS PROFIT	5,109	4,396	16,182	13,015
OTHER OPERATING INCOME	145	40	533	690
AMORTISATION OF RESERVE ON CONSOLIDATION	139	139	554	554
MARKETING AND DISTRIBUTION COSTS	-534	-673	-1,629	-1,057
ADMINISTRATION EXPENSES	-1,828	-1,796	-6,815	-6,511
OTHER OPERATING EXPENSES	-425	-485	-1,331	-1,432
PROFIT FROM OPERATIONS	2,606	1,621	7,494	5,259
FINANCIAL COST	-243	45	-1,062	-1,201
SHARE OF RESULT OF AN ASSOCIATED COMPANY	0	0	0	0
PROFIT BEFORE TAXATION	2,363	1,666	6,432	4,058
TAXATION	-379	-247	-1,361	-1,018
PROFIT AFTER TAXATION	1,984	1,419	5,071	3,040
MINORITY INTEREST	1	1	1	1
NET PROFIT FOR THE FINANCIAL PERIOD	1,985	1,420	5,072	3,041
BASIC EARNINGS PER ORDINARY SHARE (SEN)	1.55	1.11	3.96	2.38
DILUTED EARNINGS PER ORDINARY SHARE (SEN)	1.55	1.11	3.96	2.38

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2005 and the accompanying explanatory notes attached to the financial statement)

EUPE CORPORATION BERHAD (377762-V)

Interim report for the financial year ended 28 February 2006

(The figures have not been audited)

CONDENSED CONSOLIDATED BALANCE SHEETS

	AS AT END OF THIRD QUARTER 28/2/2006 RM'000	PRECEDING FINANCIAL YEAR 28/2/2005 RM'000
PROPERTY, PLANT AND EQUIPMENT	75,414	76,059
INVESTMENT IN AN ASSOCIATED COMPANY	25	26
OTHER INVESTMENTS	11	11
DEFERRED PLANTATION EXPENDITURES	997	808
DEFERRED TAX ASSETS	56	159
DEVELOPMENT PROPERTIES	112,058	111,192
INVESTMENT PROPERTIES	21,153	21,155
LAND HELD FOR FUTURE DEVELOPMENT	-	-
CURRENT ASSETS		
Development properties	31,336	34,915
Accrued billings	-	-
Inventories	15,184	14,676
Trade receivables	18,249	13,467
Other receivables, deposits and prepayments	1,698	1,535
Sinking and redemption funds	560	573
Tax recoverable	662	632
Fixed deposits with licensed banks	764	1,177
Cash and bank balances	7,474	1,679
	<u>75,927</u>	<u>68,654</u>
LESS: CURRENT LIABILITIES		
Trade payables	10,028	5,321
Progress Billings	12,598	6,840
Other payables and accruals	19,621	19,879
Amount due to directors	152	163
Term loan	2,845	2,682
Revolving credit	6,000	5,500
Bank overdraft	988	1,069
Hire purchase liabilities	105	105
Provision for infrastructure cost	256	1,860
Taxation	194	692
	<u>52,787</u>	<u>44,111</u>
NET CURRENT ASSETS	23,140	24,543
	<u>232,854</u>	<u>233,953</u>
SHARE CAPITAL	128,000	128,000
RESERVES	70,886	67,527
SHAREHOLDERS' EQUITY	198,886	195,527
MINORITY INTEREST	92	93
LONG TERM AND DEFERRED LIABILITIES		
Term loans - secured	11,408	14,991
Hire purchase creditors	345	445
Deferred taxation	22,123	22,897
	<u>232,854</u>	<u>233,953</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)	<u>1.55</u>	<u>1.53</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2005 and the accompanying explanatory notes attached to the financial statement)

EUPE CORPORATION BERHAD (377762-V)

Interim report for the financial year ended 28 February 2006

(The figures have not been audited)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	12 MONTHS ENDED 28/2/2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash receipts from customers	100,814
Cash payments to suppliers and creditors	(71,673)
Cash payments to employees and for expenses	(15,356)
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Cash generated from operations	13,785
Interest income received	12
Interest expenses - overdraft	(7)
Rental income received	258
Option fees received	53
Deposit received/ (paid)	(28)
Tax paid	(2,558)
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Net cash from operating activities	11,515
CASH FLOWS FROM INVESTING ACTIVITIES	
Insurance claim received	6
Interest income	73
Proceeds from disposal of investment properties	1
Proceeds from disposal of property, plants & equipment	3
Purchase of property, plant and equipment	(1,839)
Fixed deposits released from pledge / (pledge to licensed bank)	305
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Net cash used in investing activities	(1,451)
CASH FLOWS FROM FINANCING ACTIVITIES	
Drawdown of term loan	-
Drawdown of revolving credit	1,500
Advance from / (Repayment to) director	(11)
Repayment of term loan	(3,420)
Repayment of revolving credit	(1,000)
Repayment of hire purchase loan	(100)
Term loan interest paid	(1,240)
Hire purchase interest paid	(25)
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Net cash used in financing activities	(4,296)
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Net increase in cash and cash equivalents	5,768
Cash and cash equivalents at beginning of financial year	989
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Cash and cash equivalents at end of financial period	6,757
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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 2005 and the accompanying explanatory notes attached to the financial statement)

EUPE CORPORATION BERHAD (377762-V)

Interim report for the financial year ended 28 February 2006

(The figures have not been audited)

Condensed Consolidated Statement of Changes in Equity

	Share capital	Share premium	Reserve on consolidation	Retained profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 March 2005	128,000	5,982	30,641	30,904	195,527
Amortisation for the financial period	-	-	(554)	-	(554)
Credit to income statement upon sales of properties	-	-	(1,159)	-	(1,159)
Arise durring the financial period	-	-	-	-	-
Net profit for the financial period	-	-	-	5,072	5,072
Balance as at 28 February 2006	<u>128,000</u>	<u>5,982</u>	<u>28,928</u>	<u>35,976</u>	<u>198,886</u>

(The Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2005 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 2006

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 year ended 28 February 2005.

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 2005.

2 Qualification of financial statement

There was no qualification in the audited financial statements for the year ended 28 February 2005.

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.

EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2006

8 Segmental information

	Revenue		Profit before taxation	
	<----- 12 months ended ----->			
	28.2.06	28.2.05	28.2.06	28.2.05
	RM'000	RM'000	RM'000	RM'000
Chalet and Golf Management	12,733	13,288	1,318	1,248
Property Development	66,237	23,105	3,581	(976)
Property Construction	66,853	30,482	1,858	3,942
Others	7,033	1,731	5,343	205
	<u>152,856</u>	<u>68,606</u>	<u>12,100</u>	<u>4,419</u>
Inter-segment elimination	<u>(53,126)</u>	<u>(22,681)</u>	<u>(5,668)</u>	<u>(361)</u>
	<u><u>99,730</u></u>	<u><u>45,925</u></u>	<u><u>6,432</u></u>	<u><u>4,058</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 2006

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 2006 are as follows: -

	As at 28.2.2005 RM'000	Addition / (Deletion) RM'000	As at 28.2.2006 RM'000
Guarantees given to licensed banks for credit facilities utilised by the subsidiary companies	<u>24,642</u>	<u>(3,969)</u>	<u>20,673</u>
Guarantees given to suppliers for credit facilities utilised by the subsidiary companies	<u>108</u>	<u>200</u>	<u>308</u>
Total guarantees given for credit facilities available to the subsidiary companies	<u><u>47,440</u></u>	<u><u>14,500</u></u>	<u><u>61,940</u></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

The amount of commitment for the acquisition of freehold land not provided for in the interim financial statements as at 28 February 2006 is as follows: -

	RM'000
Capital expenditure in respect of acquisition of freehold land contracted but not provided for	<u><u>11,125</u></u>

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

During the financial period ended 28 February 2006, the Group made the following payments to purchase property, plant and equipment: -

	RM
Purchase of property, plant and equipment	1,838,700
Finance by hire purchase arrangement	<u>-</u>
Cash payment on purchase of property, plant and equipment	<u><u>1,838,700</u></u>

EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2006

Additional information required by the BMSB's Listing Requirements

1 Review of performance

The Group's turnover of RM38.115 million for the quarter under review is a 256% increase from that of Q4 2005. Correspondingly, the profit before tax increased 42% to RM2.363 million. This was mainly attributable to the strong take up rate for the development projects and the improved speed of construction.

2 Variance of results against preceding quarter

The Group's profit before tax rose 21% from the preceding quarter to RM2.363 million on the back of a turnover increase of 39% to RM38.115 million. This is due to the consistent demand for the Group's properties.

3 Current year / future prospects

The management is optimistic about the performance of the Group in view of the strong take-up rate and much improved construction speed which was hampered by labour shortage last year.

The fuel price hike is expected to inflate prices, but the Group's in-built contingencies are expected to mitigate this. The demand for property is expected to consolidate with rising interest rates, but the management will take the necessary steps to address these risks and explore further potential areas of growth.

The management is optimistic about the projects scheduled to be launched in the coming financial year as the management feels that these new phases will synergistically be complemented by existing developments. The water theme park project under the Hotel and Golf division is expected to further enhance the Group's corporate performance and boost property prices for the Group's new development in the immediate vicinity.

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 2006

5 Taxation

	CURRENT QUARTER Q4 28 FEB 2006 RM'000	PRECEDING QUARTER Q4 28 FEB 2005 RM'000	CURRENT YEAR TO DATE 28 FEB 2006 RM'000	PRECEDING YEAR TO DATE 28 FEB 2005 RM'000
Current year taxation	706	796	2,045	1,911
Real property gain tax	-	-	-	-
	<hr/> 706	<hr/> 796	<hr/> 2,045	<hr/> 1,911
Deferred taxation	(327)	(546)	(670)	(824)
	<hr/> 379	<hr/> 250	<hr/> 1,375	<hr/> 1,087
Under/(Over) provision in previous years	0	0	(14)	(69)
	<hr/> 379	<hr/> 250	<hr/> 1,361	<hr/> 1,018

The lower effective tax rate as compared to the statutory tax rate of 28% for the current quarter and financial period is due to the incorporation of reserve on consolidation and the utilization of unabsorbed tax losses brought forward from the previous financial year.

6 Unquoted investments and properties

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

7 Purchase or disposal of quoted investments

There was no sale of unquoted investments or properties of the Group for the current quarter under review.

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 2006

9 Borrowings and debt securities

	CURRENT FINANCIAL PERIOD END 28.2.2006 RM' 000	PRECEDING FINANCIAL YEAR END 28.2.2005 RM' 000
<u>Borrowings – unsecured</u>		
<u>Repayable within the next 12 months</u>		
Revolving credit	6,000	5,500
Bank overdraft	988	1,051
	<u>6,988</u>	<u>6,551</u>
 <u>Borrowings – secured</u>		
<u>Repayable within the next 12 months</u>		
Term loans	2,845	2,682
Bank overdraft	0	18
Hire purchase creditors	105	105
	<u>2,950</u>	<u>2,805</u>
 <u>Repayable after the next 12 months</u>		
Term loans	11,408	14,991
Hire purchase creditors	345	445
	<u>11,753</u>	<u>15,436</u>

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 2006

13 Earnings per share

Basic and 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	1,984,757	5,071,857
Weighted average number of ordinary shares	128,000,000	128,000,000
Basic and diluted earnings per share (sen)	1.55	3.96