



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 MAY 2011**

	Individual Quarter		Cumulative Quarter	
	Current yr. Quarter 31 MAY 2011 RM '000	Preceding yr. Corresponding Quarter 31 MAY 2010 RM '000	Current yr. to date 31 MAY 2011 RM '000	Preceding yr. to date 31 MAY 2010 RM '000
1. Revenue	34,287	27,199	34,287	27,199
2. Profit/(loss) before tax	2,598	1,203	2,598	1,203
3. Profit/(loss) for the period	1,620	640	1,620	640
4. Profit/(loss) attributable to ordinary equity holders of the parent	1,043	377	1,043	377
5. Basic earnings/ (loss) per shares (sen)	0.81	0.29	0.81	0.29
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)	1.89	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 May 2011

(The figures have not been audited)

	INDIVIDUAL QUARTER (1st Q)		CUMULATIVE QUARTER (3 months)	
	CURRENT YEAR QUARTER 31/5/2011 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/5/2010 RM'000	CURRENT YEAR TO DATE 31/5/2011 RM'000	PRECEDING YEAR TO DATE 31/5/2010 RM'000
REVENUE	34,287	27,199	34,287	27,199
COST OF SALES	(28,630)	(22,917)	(28,630)	(22,917)
GROSS PROFIT	5,657	4,282	5,657	4,282
OTHER OPERATING INCOME	390	208	390	208
MARKETING AND DISTRIBUTION COSTS	(343)	(536)	(343)	(536)
ADMINISTRATION EXPENSES	(1,990)	(2,062)	(1,990)	(2,062)
OTHER OPERATING EXPENSES	(790)	(461)	(790)	(461)
FINANCIAL COST	(326)	(228)	(326)	(228)
PROFIT BEFORE TAX	2,598	1,203	2,598	1,203
TAX EXPENSE	(978)	(563)	(978)	(563)
PROFIT FOR THE FINANCIAL PERIOD	1,620	640	1,620	640
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE PARENT	1,043	377	1,043	377
MINORITY INTEREST	577	263	577	263
	1,620	640	1,620	640
BASIC EARNINGS PER ORDINARY SHARE (SEN)	0.81	0.29	0.81	0.29
DILUTED EARNINGS PER ORDINARY SHARE (SEN)	0.81	0.29	0.81	0.29

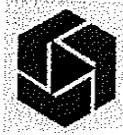
(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2011 and the accompanying explanatory notes attached to the financial Statements)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**as at **31 May 2011**

(The figures have not been audited)

	AS AT END OF FIRST QUARTER 31/5/2011 RM'000	AS AT PRECEDING FINANCIAL YEAR 28/2/2011 RM'000
ASSETS		
PROPERTY, PLANT AND EQUIPMENT	77,990	78,582
OTHER INVESTMENTS	160	159
LAND HELD FOR PROPERTY DEVELOPMENT	126,047	125,064
INVESTMENT PROPERTIES	21,919	21,918
DEFERRED PLANTATION EXPENDITURES	340	371
DEFERRED TAX ASSETS	1,344	1,345
CURRENT ASSETS		
Property development costs	48,423	49,573
Inventories	20,904	20,889
Trade and other receivables	27,147	33,520
Sinking and redemption funds	797	785
Tax recoverable	2,589	2,872
Cash and bank balances	17,821	15,358
	<u>117,681</u>	<u>122,997</u>
TOTAL ASSETS	<u>345,481</u>	<u>350,436</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	128,000	128,000
Reserves	113,417	112,374
	<u>241,417</u>	<u>240,374</u>
Minority interest	3,990	3,413
	<u>245,407</u>	<u>243,787</u>
LONG TERM AND DEFERRED LIABILITIES		
Borrowings	10,836	10,830
Deferred taxation	17,078	17,087
	<u>27,914</u>	<u>27,917</u>
CURRENT LIABILITIES		
Progress Billings	30,598	35,975
Trade and other payables	23,767	26,231
Provision for infrastructure cost	1,739	1,739
Borrowings	15,523	13,903
Tax liabilities	533	884
	<u>72,160</u>	<u>78,732</u>
TOTAL EQUITY AND LIABILITIES	<u>345,481</u>	<u>350,436</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)	<u>1.89</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 May 2011

(The figures have not been audited)

	3 MONTHS ENDED 31/5/2011 RM'000	3 MONTHS ENDED 31/5/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	37,896	36,816
Cash payments to suppliers and creditors	(26,859)	(23,770)
Cash payments to employees and for expenses	(5,984)	(5,381)
Cash generated from operations	<u>5,053</u>	<u>7,665</u>
Interest expenses - overdraft	(29)	(42)
Rental income received	49	59
Deposit received/(paid)	1,217	(605)
Insurance compensation received	45	-
Tax paid	(1,055)	(756)
Net cash from operating activities	<u>5,280</u>	<u>6,321</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	100	16
Deposit paid for acquisition of leasehold land	(3,891)	-
Dividend received	1	-
Gain from foreign exchange -land deposit	62	-
Purchase of property, plant and equipment	(412)	(154)
Other investment	(2)	(1)
Fixed deposits released from pledge / (pledge to licensed bank)	(325)	(190)
Net cash used in investing activities	<u>(4,467)</u>	<u>(329)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of revolving credit	1,400	-
Net creation of bankers' acceptance	1,036	(861)
Repayment of term loan	(543)	(1,721)
Repayment of hire purchase loan	(4)	-
Term loan interest paid	(246)	(151)
Revolving credit interest paid	(5)	(69)
Discount paid on bankers' acceptance	(49)	(34)
Hire purchase interest paid	(1)	-
Net cash used in financing activities	<u>1,588</u>	<u>(2,836)</u>
Net increase in cash and cash equivalents	<u>2,401</u>	<u>3,156</u>
Cash and cash equivalents at beginning of financial year	12,677	3,257
Cash and cash equivalents at end of financial period	<u><u>15,078</u></u>	<u><u>6,413</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 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 May 2011**

(The figures have not been audited)

	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	RM'000	RM'000
Balance as at 1 March 2011	128,000	5,982	-	106,392	240,374	3,413	243,787
Profit for the financial period	-	-	-	1,043	1,043	577	1,620
Balance as at 31 May 2011	<u>128,000</u>	<u>5,982</u>	<u>-</u>	<u>107,435</u>	<u>241,417</u>	<u>3,990</u>	<u>245,407</u>
Balance as at 1 March 2010	128,000	5,982	2,009	99,403	235,394	1,648	237,042
Profit for the financial period	-	-	-	377	377	263	640
Balance as at 31 May 2010	<u>128,000</u>	<u>5,982</u>	<u>2,009</u>	<u>99,780</u>	<u>235,771</u>	<u>1,911</u>	<u>237,682</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 (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 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



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

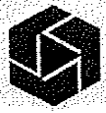
There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter and/or financial year to-date.

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.



**EUPU CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 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	
	31.5.11 RM'000	31.5.10 RM'000	31.5.11 RM'000	31.5.10 RM'000
Chalet and Golf Management	3,402	3,280	(402)	(471)
Property Development	23,497	18,627	2,447	1,553
Property Construction	24,649	16,285	416	206
Others	687	1,508	175	982
	<u>52,235</u>	<u>39,700</u>	<u>2,636</u>	<u>2,270</u>
Inter-segment elimination	<u>(17,948)</u>	<u>(12,501)</u>	<u>(38)</u>	<u>(1,067)</u>
	<u>34,287</u>	<u>27,199</u>	<u>2,598</u>	<u>1,203</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

A wholly owned subsidiary of the Company, Eupe Kemajuan Sdn. Bhd. has entered into a Sale and Purchase Agreement on 26 April 2011 with Desaminium Jaya Sdn. Bhd. to purchase all that parcels of land forming part of the master titles HS(D) 108940 PT 39570 (now HS(D) 236892 PT 39570, HS(D) 108941 PT No. 39571 (now HS(D) 236893 PT 39571) and HS(D) 108942 PT No. 35972 (now HS(D) 236894 PT 39572) situated in the Mukim of Petaling, District of Petaling, State of Selangor comprising an area of approximately 17.15 acres provisionally identified as Phase 1C, free from encumbrances and with vacant possession subject to all condition of title whether expressed or implied affecting the land for a total consideration of Ringgit Malaysia Thirty Seven Million Three Hundred and Fifty Two Thousand and Seven Hundred (RM37,352,700).

11 Changes in composition of the Group

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



12 Changes in contingent liabilities and contingent assets

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

	As at 1.3.2011 RM'000	Addition / (Deletion) RM'000	As at 31.5.2011 RM'000
Guarantees given to licensed banks for credit facilities utilised by the subsidiary companies	<u>23,217</u>	<u>3,139</u>	<u>26,356</u>
Guarantees given to suppliers for credit facilities utilised by the subsidiary companies	<u>704</u>	<u>226</u>	<u>930</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 May 2011, the Group made the following payments to purchase property, plant and equipment: -

Cash payment on purchase of property, plant and equipment	RM
Financed by hire purchase arrangement	411,737
Purchase of property, plant and equipment	<u>-</u>
	<u>411,737</u>



Additional information required by the BMSB's Listing Requirements

1 Review of performance

The revenue recorded in Q1 2012 increased by 26% to RM34,287 million & profit before tax of the Group grew substantially to RM2,598 million as compared to Q1 2011. The Group's profit and revenue were principally derived from its property development activities. This was mainly due to strong take-up rates of our on going projects namely Cinta Sayang Resort Homes & new launched shop offices at Taman Ria Jaya. Besides, the Group's construction activities and investment holdings activities also contributed to the earnings achieved.

2 Variance of results against preceding quarter

The current quarter's profit before tax was substantially lower compared with the preceding Q4, 2011 profit before tax of RM5,231 million due to the recognition of several projects on hand completed in Q4, 2011

3 Current year / future prospects

Although sentiment remains strong, there is increasing fear of a property bubble as prices continue to climb. Banks are also more selective about lending. This is not yet visible but will be something we will remain vigilant about.

With this in mind, we do not anticipate that our townships in Kedah will be much affected as buyers are generally owner occupants. This might affect launches in KL, which the Group plans to expand to. However, as the developments planned there are boutique and in central locations, the risk is somewhat mitigated. Again, geographical and product diversification will help minimize any property market downturn. However, we are positive about the projects in Kedah, and the new ones in KL which are well positioned to take advantage of the opportunities in the market.

4 Profit forecast

This is not applicable as no profit forecast was published.



5 Taxation

	CURRENT QUARTER Q1 31 MAY 2011 RM'000	PRECEDING QUARTER Q1 31 MAY 2010 RM'000	CURRENT YEAR TO DATE 31 MAY 2011 RM'000	PRECEDING YEAR TO DATE 31 MAY 2010 RM'000
Current year taxation	986	611	986	611
Real property gain tax	-	-	-	-
Deferred taxation	986 (8)	611 (48)	986 (8)	611 (48)
Under/(Over) provision in previous years	978	563	978	563
	-	-	-	-
	978	563	978	563

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

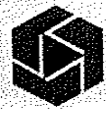
There was no sale of unquoted investments and properties of the Group for the current quarter under review and financial year to date.

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 PERIOD ENDED 31 MAY 2011

9 Borrowings and debt securities

	CURRENT FINANCIAL PERIOD END 31.5.2011 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	762	998
Revolving credit	2,000	2,000
Bankers' acceptance	2,833	2,416
Bank overdraft	52	68
Hire purchase creditors	12	16
	<u>5,659</u>	<u>5,498</u>
<u>Repayable after the next 12 months</u>		
Term loans	1,307	1,307
Hire purchase creditors	60	60
	<u>1,367</u>	<u>1,367</u>

Borrowings – secured

<u>Repayable within the next 12 months</u>		
Term loans	1,569	1,881
Revolving credit	5,000	3,600
Bankers' acceptance	1,842	1,515
Bank overdraft	1,453	1,409
	<u>9,864</u>	<u>8,405</u>
<u>Repayable after the next 12 months</u>		
Term loans	9,469	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 May 2011 comprised as follows :

	CURRENT FINANCIAL PERIOD END 31.5.2011 RM' 000	PRECEDING FINANCIAL YEAR END 28.2.2011 RM' 000
Total retained earnings of the Company and its subsidiaries :		
- Realised profits	123,169	122,783
- Unrealised losses	(15,734)	(16,392)
	<u>107,435</u>	<u>106,391</u>

Total Group retained profits as per consolidated
accounts



**EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 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	Year to-date
	RM	RM
Net profit attributable to ordinary shareholders	1,043,345	1,043,345
Weighted average number of ordinary shares	128,000,000	128,000,000
Basic earnings per share (sen)	0.81	0.81

Diluted earnings per share

	Current quarter	Year to-date
	RM	RM
Net profit attributable to ordinary shareholders	1,043,345	1,043,345
Weighted average number of ordinary shares	128,000,000	128,000,000
Diluted earnings per share (sen)	0.81	0.81

