

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Income Statements
For The Year Ended 31 March 2008

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.03.2008 RM'000	31.03.2007 RM'000	31.03.2008 RM'000	31.03.2007 RM'000
Revenue	66,403	95,158	361,914	329,270
Operating Expenses	(63,667)	(79,819)	(323,289)	(275,918)
Other Operating Income	513	386	1,913	1,516
Profit From Operations	<u>3,249</u>	<u>15,725</u>	<u>40,538</u>	<u>54,868</u>
Finance Costs	<u>(78)</u>	<u>(39)</u>	<u>(579)</u>	<u>(153)</u>
Profit Before Tax	3,171	15,686	39,959	54,715
Taxation	5,870	(1,902)	2,865	(5,111)
Profit After Tax	<u>9,041</u>	<u>13,784</u>	<u>42,824</u>	<u>49,604</u>
Attributable to:				
Equity holders of the parent	9,048	13,733	42,718	49,400
Minority interests	(7)	51	106	204
	<u>9,041</u>	<u>13,784</u>	<u>42,824</u>	<u>49,604</u>
Earnings Per Share				
(a) Basic (sen)	5.51	8.36	26.01	30.08
(b) Diluted (sen)	-	-	-	-

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Balance Sheets
As At 31 March 2008

	As at 31.03.2008 RM'000 unaudited	As at 31.03.2007 RM'000 audited (Restated)
ASSETS		
Non-current assets		
Property, plant and equipment	157,346	164,479
Land held for property development	17,571	34,907
Prepaid land lease payments	9,334	9,519
Goodwill on consolidation	15,069	15,069
	<u>199,320</u>	<u>223,974</u>
Current assets		
Development property	48,802	27,518
Inventories	60,422	66,941
Trade receivables	30,490	31,226
Other receivables	24,124	6,763
Other investment	3,013	-
Term deposits	34,897	59,341
Cash and bank balances	19,378	11,758
	<u>221,126</u>	<u>203,547</u>
TOTAL ASSETS	<u><u>420,446</u></u>	<u><u>427,521</u></u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Balance Sheets
As At 31 March 2008

	As at 31.03.2008 RM'000 unaudited	As at 31.03.2007 RM'000 audited (Restated)
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	131,370	164,213
Retained earnings	152,329	113,716
Capital reserves	691	556
	<u>284,390</u>	<u>278,485</u>
Minority interests	7,116	5,259
Total equity	<u>291,506</u>	<u>283,744</u>
Non-current liabilities		
Borrowings	-	12,157
Other payables	59,070	58,897
Deferred tax liabilities	16,175	19,491
	<u>75,245</u>	<u>90,545</u>
Current liabilities		
Borrowings	21,972	25,818
Trade payables	20,895	24,052
Other payables	10,549	3,360
Taxation	279	2
	<u>53,695</u>	<u>53,232</u>
Total liabilities	<u>128,940</u>	<u>143,777</u>
TOTAL EQUITY AND LIABILITIES	<u>420,446</u>	<u>427,521</u>
Net asset per share	1.73	1.70

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Cashflow Statements
For The Year Ended 31 March 2008

	12 Months Ended	
	31.03.2008	31.03.2007
	RM'000	RM'000
	unaudited	audited
Cash flows from operating activities		
Profit before taxation and minority interests	39,959	54,715
Adjustments for :		
Allowance for doubtful debts	75	5
Amortisation of prepaid land lease payments	184	184
Depreciation	11,735	10,559
Gain on disposal of property, plant and equipment	(95)	(112)
Gain on other investment	(13)	-
Interest expenses	1,214	1,007
Interest income	(1,681)	(1,179)
Property, plant and equipment written off	1	2
Operating profit before working capital changes	51,379	65,181
Changes in working capital :		
Inventories	6,519	(16,604)
Receivables	(15,618)	(5,024)
Payables	4,195	(5,233)
Development property	(3,948)	(56)
	42,527	38,264
Interest paid	(1,214)	(1,007)
Income tax paid	(1,111)	(1,466)
Net cash generated from operating activities	40,202	35,791
Cash flows from investing activities		
Acquisition of subsidiary companies	-	(8,985)
Other investment	(3,000)	-
Interest received	1,681	1,179
Proceeds from disposal of property, plant and equipment	137	179
Purchase of property, plant and equipment	(4,644)	(15,183)
Net cash used in investing activities	(5,826)	(22,810)

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Cashflow Statements
For The Year Ended 31 March 2008

	12 Months Ended	
	31.03.2008	31.03.2007
	RM'000	RM'000
	unaudited	audited
Cash flows from financing activities		
Proceeds from issuance of ordinary shares of a subsidiary company	-	40
Proceeds from issuance of preference shares of a subsidiary company	1,751	4,477
Decrease/(Increase) in fixed deposits pledged to a bank	48	(1)
Repayment of hire purchase	(12,800)	-
Proceeds from short term borrowings net of repayment	(3,203)	4,120
Capital repayment	(32,843)	-
Interim dividend paid	(4,105)	-
Net cash (used in)/generated from financing activities	<u>(51,152)</u>	<u>8,636</u>
Net (decrease)/increase in cash and cash equivalent	<u>(16,776)</u>	<u>21,617</u>
Cash and cash equivalents at beginning of the year	<u>71,045</u>	<u>49,428</u>
Cash and cash equivalents at end of the year	<u><u>54,269</u></u>	<u><u>71,045</u></u>
Analysis of cash and cash equivalents		
Fixed deposits	34,897	59,341
Cash and bank balances	19,378	11,758
	<u>54,275</u>	<u>71,099</u>
Fixed deposits pledged as security	(6)	(54)
	<u>54,269</u>	<u>71,045</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement Of Changes In Equity
For The Year Ended 31 March 2008

	Share Capital RM'000	Consolidation Reserve RM'000	Translation Reserve RM'000	Distributable Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
Current Year To Date Ended 31 March 2008							
At 1 April 2007	164,213	373	183	113,716	278,485	5,259	283,744
Capital repayment	(32,843)	-	-	-	(32,843)	-	(32,843)
Translation differences	-	-	(10)	-	(10)	-	(10)
Effect of reduction in tax rate	-	145	-	-	145	-	145
Profit for the year	-	-	-	42,718	42,718	106	42,824
Interim dividend paid	-	-	-	(4,105)	(4,105)	-	(4,105)
Investment in a subsidiary company by minority interests	-	-	-	-	-	1,751	1,751
At 31 March 2008	131,370	518	173	152,329	284,390	7,116	291,506

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement Of Changes In Equity
For The Year Ended 31 March 2008

	Share Capital RM'000	Consolidation Reserve RM'000	Translation Reserve RM'000	Distributable Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
Preceding Year Corresponding Year Ended 31 March 2007							
At 1 April 2006	164,213	61	184	64,316	228,774	543	229,317
Translation differences	-	-	(1)	-	(1)	-	(1)
Effect of reduction in tax rate		312			312		312
Acquisition of minority interest	-	-	-	-	-	4,512	4,512
Profit for the year	-	-	-	49,400	49,400	204	49,604
At 31 March 2007	164,213	373	183	113,716	278,485	5,259	283,744

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007)

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31ST MARCH 2008

1. Accounting policies and methods of computation

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2007. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2008.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2007 except for the adoption of the following new/revised FRS's that are effective for the financial periods beginning on or after the following dates :

FRS	Effective for financial period beginning on or after
FRS 117 Leases	1 October 2006
FRS 124 Related Party Disclosures	1 October 2006

The Group has not adopted FRS 139 Financial Instruments: Recognition and Measurement as its effective date has been deferred.

The adoption of the above FRSs does not result in significant changes in accounting policies of the Group, other than the change discussed below :

(a) FRS 117 : Leases

Prior to 1 April 2007, leasehold land held for own use was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses. The adoption of the revised FRS 117 resulted in a change in the accounting policy relating to the classification of leases of land and buildings. Leases of land and buildings are classified as operating or finance lease in the same way as leases of the other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purpose of lease classification. Leasehold land held for own use is now classified as operating lease. Lease payments are recognised in the income statement on an accrual basis. The Group has applied this change in accounting policy prospectively.

The effect of the classification is summarized in Note 3 below.

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31ST MARCH 2008

3. Comparatives

The following comparative amounts have been restated due to the adoption of the FRS 117 :-

	As previously reported RM'000	Reclassification RM'000	As restated RM'000
As at 31 March 2007			
Property, plant and equipment	173,998	(9,519)	164,479
Prepaid land lease payments	-	9,519	9,519

4. Disclosure of audit qualification

There was no qualification on the audit report of the preceding audited financial statements.

5. Seasonality or cyclicity of interim operations

The timber business of the Group is affected by the world demand and supply of plywood. The other operations of the Group are not materially affected by any seasonality or cyclicity factors.

6. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

7. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years.

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31ST MARCH 2008

8. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year to date.

9. Dividends paid

Details of dividends paid during the financial year-to-date are as follows:-

Interim dividend for the financial year	2007
Approved and declared on	21 November 2007
Date paid	27 December 2007
Number of ordinary shares on which dividends were paid ('000)	164,213
Amount per share	Tax exempt dividend of 2.5 sen
Net dividend paid (RM'000)	4,105

10. Segmental reporting

The Group's segmental report for the financial year to date is as follows :

	Manufacturing RM'000	Trading RM'000	Property and Investment Holdings RM'000	Property Development RM'000	Eliminations RM'000	Consolidated RM'000
Segment Revenue						
External sales	361,913	1	-	-	-	361,914
Inter-segment sales	126,684	-	10,645	-	(137,329)	-
Total revenue	<u>488,597</u>	<u>1</u>	<u>10,645</u>	<u>-</u>	<u>(137,329)</u>	<u>361,914</u>

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31ST MARCH 2008

10. Segmental reporting (contd.)

	Manufacturing RM'000	Trading RM'000	Property and Investment Holdings RM'000	Property Development RM'000	Eliminations RM'000	Consolidated RM'000
Segment Result						
Operating profit/(loss) before interest and tax	38,253	54	11,706	(125)	(11,031)	38,857
Interest expense	(579)	-	(1)	-	1	(579)
Interest income	1,451	-	231	-	(1)	1,681
Income taxes	2,904	-	(1,541)	-	1,502	2,865
Net profit/(loss)	<u>42,029</u>	<u>54</u>	<u>10,395</u>	<u>(125)</u>	<u>(9,529)</u>	<u>42,824</u>

No geographical segmental analysis is presented as the Group operates principally in Malaysia.

All inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

11. Valuations of property, plant and equipment

The valuation of property, plant and equipment have been bought forward without any amendments from the previous annual financial statements.

12. Subsequent events

Refer to Note 22.

13. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial year to date, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31ST MARCH 2008

14. Changes in contingent liabilities since the last annual balance sheet date

There were no changes in contingent liabilities of the Company since the last annual balance sheet date as at 31 March 2007. The contingent liabilities represent corporate guarantees in respect of banking facilities granted to a subsidiary company and an associated company of a subsidiary company.

As at 31 March 2008, the amount of banking facilities utilised which were secured by corporate guarantees was RM23 million.

15. Review of the performance of the Group for the period under review and financial year-to-date

The Group posted a turnover of RM361.9 million for the year under review compared to RM329.3 million in the previous financial year. Profit before taxation was at RM40.0 million for the year under review as compared to RM54.7 million recorded in the previous financial year.

Higher sales volume achieved during the year under review contributed to the Group's higher revenue but profit before taxation came in lower as a result of margin erosion. Chief amongst the factors which eroded the Group's profit margin was a lower average selling price for its plywood. A weaker US dollar and higher production and delivery costs were the other factors which squeezed the Group's profit margins for the year under review.

16. Material changes in the results of the current quarter compared to the results of the immediate preceding quarter

The Group recorded a turnover of RM66.4 million compared to RM124.8 million for the immediate preceding quarter. The Group's profit before tax was at RM3.2 million for the quarter under review compared to RM9.4 million for the immediate preceding quarter.

The Group's revenue for the quarter under review was lower due to a lower sales volume compared to the preceding quarter. Higher raw material and other production costs for the quarter under review led to the lower margins compared the previous quarter.

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31ST MARCH 2008

17. Current year prospects

The Group expects demand for its plywood to remain firm in the coming months with expectations of prices improving in tandem with the recovery of demand for plywood. However, the challenge will be for the Group to maintain a healthy profit margin against a backdrop of rising production costs.

The Group's property division will launch the first phase of shopoffices during the current financial year and this division is expected to contribute positively to the year's results.

Given the above, the Group expects its results to remain positive.

18. Variance of actual profit from forecast profit

Not applicable.

19. Breakdown of tax charge and explanation on variance between effective and statutory tax rate for the current quarter and financial year-to-date

	Current Quarter RM'000	Financial Year-to-date RM'000
Taxation		
- Current year	(1,663)	296
- Under provision in prior year	10	10
Deferred taxation		
- Current year	(4,217)	(3,171)
	<u>(5,870)</u>	<u>(2,865)</u>

The Group's effective tax rate for the financial year to date is lower than the statutory tax rate principally due to the double deduction of freight charges incurred on exports of plywood and tax incentives available to the subsidiary companies.

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31ST MARCH 2008

20. Profit/(losses) on sale of unquoted investments and/or investment properties

There were no disposals of unquoted investment and/or investment properties for the financial year to date.

21 Particular of purchase or disposal of quoted securities

There were no purchases or disposals of quoted securities for the financial year to date.

22. Status of corporate proposal

On 7 May 2008, the Company's 60% indirect subsidiary, The Atmosphere Sdn Bhd (formerly known as Stellar View Development Sdn Bhd), entered into a conditional Share Sale and Purchase Agreement with Lien Hoe Corporation Berhad to acquire 100% equity interest in Russella Teguh Sdn Bhd for a cash consideration of RM61,000,000 ("Proposed Acquisition").

The acquisition is pending the approval of the Foreign Investment Committee and the shareholders of Lien Hoe Corporation Berhad.

23. Group borrowings and debt securities

	As at 31.03.2008 RM'000
Short term borrowings	
- secured	7,323
- unsecured	14,649
	<u>21,972</u>

All the above borrowings are denominated in local currency.

24. Off balance sheet financial instruments

There were no financial instruments with off balance sheet risks as at the date of this report.

25. Material Litigation

Saved as disclosed in the annual financial statements for the year ended 31 March 2007, there was no change in the status of the pending litigation since the last annual balance sheet date to the date of this report.

EKSONS CORPORATION BERHAD (205814-V)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2008**

26. Proposed Dividend

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 March 2008, of 3.5 sen per share less 26 percent taxation on 164,213,000 ordinary shares, amounting to a dividend payable of approximately RM4,253,117 will be proposed for shareholders' approval.

27. Earnings per share

The earnings per share is calculated as follows :

	Financial Year-to-date RM'000
a. Basic	
Net profit attributable to ordinary shareholders (RM'000)	<u>42,718</u>
Number of ordinary shares in issue (in thousand)	<u>164,213</u>
Basic profit per ordinary share (sen)	<u>26.01</u>
b. Diluted	
Not applicable	

BY ORDER OF THE BOARD

Emily Yeo Swee Ming
Company Secretary

29 May 2008