

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.12.2008 RM'000	31.12.2007 RM'000	31.12.2008 RM'000	31.12.2007 RM'000 (Restated)
Revenue	52,418	124,843	221,592	295,511
Operating Expenses	(48,852)	(115,825)	(202,808)	(259,622)
Other Operating Income	268	606	1,032	1,400
Profit From Operations	<u>3,834</u>	<u>9,624</u>	<u>19,816</u>	<u>37,289</u>
Finance Costs	<u>-</u>	<u>(251)</u>	<u>-</u>	<u>(501)</u>
Profit Before Tax	3,834	9,373	19,816	36,788
Taxation	1,281	694	2,905	(3,384)
Profit After Tax	<u><u>5,115</u></u>	<u><u>10,067</u></u>	<u><u>22,721</u></u>	<u><u>33,404</u></u>
Attributable to:				
Equity holders of the parent	5,190	10,068	22,905	33,291
Minority interests	(75)	(1)	(184)	113
	<u><u>5,115</u></u>	<u><u>10,067</u></u>	<u><u>22,721</u></u>	<u><u>33,404</u></u>
Earnings Per Share				
(a) Basic (sen)	3.16	6.13	13.95	20.27
(b) Diluted (sen)	-	-	-	-

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2008)

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

	As at 31.12.2008 RM'000 unaudited	As at 31.03.2008 RM'000 audited (Restated)
ASSETS		
Non-current assets		
Property, plant and equipment	168,609	157,346
Land held for property development	17,513	17,571
Prepaid land lease payments	9,354	9,334
Goodwill on consolidation	15,069	15,069
	<u>210,545</u>	<u>199,320</u>
Current assets		
Development property	52,253	48,802
Inventories	84,208	60,422
Investment in marketable securities	-	3,013
Trade receivables	20,628	30,490
Other receivables	49,308	24,124
Term deposits	24,228	35,897
Cash and bank balances	10,944	18,378
	<u>241,569</u>	<u>221,126</u>
TOTAL ASSETS	<u><u>452,114</u></u>	<u><u>420,446</u></u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2008)

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

	As at 31.12.2008 RM'000 unaudited	As at 31.03.2008 RM'000 audited (Restated)
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	131,370	131,370
Retained earnings	182,807	164,213
Capital reserves	665	691
	<u>314,842</u>	<u>296,274</u>
Minority interests	17,516	7,110
Total equity	<u>332,358</u>	<u>303,384</u>
Non-current liabilities		
Other payables	62,200	59,063
Deferred tax liabilities	1,070	4,297
	<u>63,270</u>	<u>63,360</u>
Current liabilities		
Borrowings	26,715	21,972
Trade payables	22,688	20,885
Other payables	7,083	10,566
Taxation	-	279
	<u>56,486</u>	<u>53,702</u>
Total liabilities	<u>119,756</u>	<u>117,062</u>
TOTAL EQUITY AND LIABILITIES	<u>452,114</u>	<u>420,446</u>
Net asset per share	1.92	1.80

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2008)

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

	9 Months Ended	
	31.12.2008	31.12.2007
	RM'000	RM'000
	unaudited	unaudited
Cash flows from operating activities		
Profit before taxation and minority interests	19,816	36,788
Adjustments for :		
Allowance for doubtful debts	-	3
Amortisation of prepaid land lease payments	(20)	148
Depreciation	9,163	9,194
Gain on disposal of property, plant and equipment	-	(108)
Gain on investment in marketable securities	(32)	-
Interest expenses	462	1,002
Interest income	(891)	(1,229)
Property, plant and equipment written off	43	1
Operating profit before working capital changes	28,541	45,799
Changes in working capital :		
Inventories	(23,786)	22,784
Receivables	(11,845)	(17,901)
Payables	(1,679)	(2,018)
Development property	(3,393)	(3,320)
	(12,162)	45,344
Interest paid	(462)	(1,002)
Income tax paid	(968)	(972)
Net cash (used in)/generated from operating activities	(13,592)	43,370
Cash flows from investing activities		
Interest received	891	1,229
Investment in marketable securities	3,045	-
Proceeds from disposal of property, plant and equipment	-	126
Purchase of property, plant and equipment	(20,468)	(3,931)
Net cash used in investing activities	(16,532)	(2,576)

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2008)

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

	9 Months Ended	
	31.12.2008	31.12.2007
	RM'000	RM'000
	unaudited	unaudited
Cash flows from financing activities		
Capital repayment	-	(32,843)
Decrease in fixed deposits pledged to a bank	6	48
Interim dividend paid	(4,311)	(4,105)
Proceeds from issuance of preference shares of a subsidiary company	10,590	1,456
Proceeds from short term borrowings net of repayment	4,743	(836)
Repayment of hire purchase	-	(12,800)
Net cash generated from/(used in) financing activities	<u>11,028</u>	<u>(49,080)</u>
Net decrease in cash and cash equivalent	<u>(19,096)</u>	<u>(8,286)</u>
Cash and cash equivalents at beginning of the year	<u>54,268</u>	<u>71,045</u>
Cash and cash equivalents at end of the year	<u><u>35,172</u></u>	<u><u>62,759</u></u>
Analysis of cash and cash equivalents		
Fixed deposits	24,228	50,990
Cash and bank balances	<u>10,944</u>	<u>11,775</u>
	35,172	62,765
Fixed deposits pledged as security	-	(6)
	<u><u>35,172</u></u>	<u><u>62,759</u></u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2008)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement Of Changes In Equity
For The Period Ended 31 December 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							
<u>Ended 31 December 2008</u>							
At 1 April 2008							
As previously stated	131,370	518	173	151,571	283,632	7,110	290,742
Effect of adopting FRS 112	-	-	-	12,642	12,642	-	12,642
At 1 April 2008 (restated)	131,370	518	173	164,213	296,274	7,110	303,384
Translation differences	-	-	(26)	-	(26)	-	(26)
Profit for the period	-	-	-	22,905	22,905	(184)	22,721
Interim dividend paid	-	-	-	(4,311)	(4,311)	-	(4,311)
Investment in a subsidiary company by minority interests	-	-	-	-	-	10,590	10,590
At 31 December 2008	131,370	518	147	182,807	314,842	17,516	332,358

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2008)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement Of Changes In Equity
For The Period Ended 31 December 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							
<u>Ended 31 December 2007</u>							
At 1 April 2007							
As previously stated	164,213	373	183	113,716	278,485	5,259	283,744
Effect of adopting FRS 112	-	-	-	13,147	13,147	-	13,147
At 1 April 2007 (restated)	164,213	373	183	126,863	291,632	5,259	296,891
Capital repayment exercise	(32,843)	-	-	-	(32,843)	-	(32,843)
Translation differences	-	-	(7)	-	(7)	-	(7)
Profit for the period (restated)	-	-	-	33,291	33,291	113	33,404
Interim dividend paid	-	-	-	(4,105)	(4,105)	-	(4,105)
Investment in a subsidiary company by minority interests	-	-	-	-	-	1,456	1,456
At 31 December 2007	131,370	373	176	156,049	287,968	6,828	294,796

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2008)

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 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 2008. 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 2008 except for the adoption of the following new/revised FRS's that are effective for the financial periods beginning on or after 1 July 2007 :

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendment to FRS 121	The Effects of Changes in Foreign Exchanges Rates - Net Investment in a Foreign Operation
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 129 ₂₀₀₄ Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2008

2. Changes in Accounting Policies (contd.)

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 112 : Income Taxes

On the amendments to FRS 112, the prohibition on recognition of deferred tax on assets that qualifies for re-investment or other similar allowances in excess of the normal capital allowances under FRS 112₂₀₀₄ has been removed. Hence, entities with unused investment tax allowances or re-investment allowances will have to recognise deferred tax asset on such unused allowances, to the extent that it is probable that future taxable profit will be available against which these unused allowances can be utilised. Any change in policy is required to be accounted for retrospectively.

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

The Group has not early adopted the following FRSs and Issues Committee Interpretations which have effective dates as follow :

		Effective for financial periods beginning on or after
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments : Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 139	Financial Instruments : Recognition	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting & Impairment	1 January 2010

3. Comparatives

The following comparative amounts have been restated due to the adoption of the FRS 112 :-

	As previously reported RM'000	Effect of FRS 112 RM'000	As restated RM'000
Income Statements			
For the period ended 31 December 2007			
Taxation	3,005	379	3,384
Statement Of Changes In Equity			
At 1 April 2007			
Retained earnings	113,716	13,147	126,863

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2008

3. Comparatives (contd.)

	As previously reported RM'000	Effect of FRS 112 RM'000	As restated RM'000
Balance Sheets			
At 31 March 2008			
Deferred tax liabilities	16,939	(12,642)	4,297
Retained earnings	151,571	12,642	164,213

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.

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.

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2008

9. Dividends paid

There was no dividend paid during the financial quarter ended 31 December 2008 (31 December 2007 : 2.5 sen tax exempt dividend).

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	221,548	-	44	-	-	221,592
Inter-segment sales	9,439	-	22,106	-	(31,545)	-
Total revenue	<u>230,987</u>	<u>-</u>	<u>22,150</u>	<u>-</u>	<u>(31,545)</u>	<u>221,592</u>
Segment Result						
Operating profit/(loss) before interest and tax	18,673	151	20,855	(586)	(20,168)	18,925
Interest income	868	-	23	-	-	891
Income taxes	2,927	-	(22)	-	-	2,905
Net profit/(loss)	<u>22,468</u>	<u>151</u>	<u>20,856</u>	<u>(586)</u>	<u>(20,168)</u>	<u>22,721</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. 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.

13. 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 2008. 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 December 2008, the amount of banking facilities utilised which were secured by corporate guarantees was RM27.9 million.

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

The Group recorded a lower turnover of RM52.4 million compared to RM124.8 million in the corresponding quarter of the previous financial year. Profit before taxation is at RM3.8 million compared to RM9.4 million in the same quarter of the previous financial year.

The Group's turnover for the 9-month period ended 31 December 2008 is at RM221.6 million compared to RM295.5 million in the corresponding period of the previous financial year.

The lower turnover and profit recorded is mainly due to lower sales.

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

The Group's turnover for the quarter under review is lower at RM52.4 million compared to RM71.3 million for the immediate preceding quarter. The Group's profit before taxation is at RM3.8 million compared to RM6.2 million for the immediate preceding quarter.

The lower turnover and profit recorded is mainly due to sluggish sales as demand has contracted globally.

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2008

16. Current year prospects

Going forward conditions are expected to remain challenging as the current soft global economic condition has yet to show signs of a turnaround. It is hoped that various economic stimulus packages being put in place worldwide will kick start a recovery.

As for the Group, measures implemented to curb wastage and control costs have been effective in cushioning the impact of the economic slowdown. Production levels have also been adjusted to better manage overheads and ensure that stock levels are not too high.

The mitigative measures taken have so far been successful in keeping the Group's margins positive. Given this, the Board expects the Group to remain profitable for the year.

17. Variance of actual profit from forecast profit

Not applicable.

18. 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 charge	442	456
- Over provision in prior year	-	(134)
Deferred taxation		
- Current year	<u>(1,723)</u>	<u>(3,227)</u>
	<u>(1,281)</u>	<u>(2,905)</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 PERIOD ENDED 31 DECEMBER 2008

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

The net gain on disposal of unquoted securities for the financial year to date is RM31,885.

There was no sale of properties since the last annual balance sheet date.

20. Particular of purchase or disposal of quoted securities

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

21. Status of corporate proposal

On 7 May 2008, an indirect 60% owned 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. The approval of the Foreign Investment Committee was received on 10 November 2008.

The acquisition is expected to be completed in Year 2009.

22. Group borrowings and debt securities

	As at 31.12.2008 RM'000
Short term borrowings	
- secured	10,868
- unsecured	15,847
	<u>26,715</u>

All the above borrowings are denominated in local currency.

23. Off balance sheet financial instruments

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

24. Material Litigation

Saved as disclosed in the annual financial statements for the year ended 31 March 2008, 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 PERIOD ENDED 31 DECEMBER 2008**

25. Proposed Dividend

The Board of Directors does not recommend any interim dividend for the financial quarter ended 31 December 2008. (31 December 2007 : Nil).

26. 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>22,905</u>
Number of ordinary shares in issue (in thousand)	<u>164,213</u>
Basic profit per ordinary share (sen)	<u>13.95</u>
b. Diluted	
Not applicable	

BY ORDER OF THE BOARD

Emily Yeo Swee Ming
Company Secretary

26 February 2009