

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Income Statements
For The Period Ended 30 June 2009

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30.06.2009 RM'000	30.06.2008 RM'000	30.06.2009 RM'000	30.06.2008 RM'000
Revenue	58,258	97,924	58,258	97,924
Operating Expenses	(58,295)	(88,570)	(58,295)	(88,570)
Other Operating Income	279	446	279	446
Profit From Operations	<u>242</u>	<u>9,800</u>	<u>242</u>	<u>9,800</u>
Finance Costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit Before Tax	242	9,800	242	9,800
Taxation	1,110	750	1,110	750
Profit After Tax	<u><u>1,352</u></u>	<u><u>10,550</u></u>	<u><u>1,352</u></u>	<u><u>10,550</u></u>
Attributable to:				
Equity holders of the parent	2,293	10,605	2,293	10,605
Minority interests	(941)	(55)	(941)	(55)
	<u><u>1,352</u></u>	<u><u>10,550</u></u>	<u><u>1,352</u></u>	<u><u>10,550</u></u>
Earnings Per Share				
(a) Basic (sen)	1.40	6.46	1.40	6.46
(b) Diluted (sen)	-	-	-	-

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2009)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Balance Sheets
As At 30 June 2009

	As at 30.06.2009 RM'000 unaudited	As at 31.03.2009 RM'000 audited
ASSETS		
Non-current assets		
Property, plant and equipment	165,451	168,245
Prepaid land lease payments	9,559	9,597
Land held for property development	23,520	23,520
Deferred tax assets	1,713	595
Goodwill on consolidation	14,247	15,008
	<u>214,490</u>	<u>216,965</u>
Current assets		
Property development costs	51,072	50,498
Inventories	74,228	70,020
Trade receivables	29,680	19,125
Other receivables	49,493	34,906
Term deposits	32,130	22,029
Cash and bank balances	8,788	45,253
	<u>245,391</u>	<u>241,831</u>
TOTAL ASSETS	<u><u>459,881</u></u>	<u><u>458,796</u></u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2009)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Balance Sheets
As At 30 June 2009

	As at 30.06.2009 RM'000 unaudited	As at 31.03.2009 RM'000 audited
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	131,370	131,370
Retained earnings	188,221	185,928
Capital reserves	859	668
	<u>320,450</u>	<u>317,966</u>
Minority interests	17,411	19,313
Total equity	<u>337,861</u>	<u>337,279</u>
Non-current liabilities		
Other payables	84,153	84,153
Deferred tax liabilities	-	-
	<u>84,153</u>	<u>84,153</u>
Current liabilities		
Borrowings	20,532	14,884
Trade payables	12,445	9,485
Other payables	4,890	12,995
	<u>37,867</u>	<u>37,364</u>
Total liabilities	<u>122,020</u>	<u>121,517</u>
TOTAL EQUITY AND LIABILITIES	<u>459,881</u>	<u>458,796</u>
Net asset per share	1.95	1.94

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2009)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Cashflow Statements
For The Period Ended 30 June 2009

	3 Months Ended	
	30.06.2009	30.06.2008
	RM'000	RM'000
	unaudited	unaudited
Cash flows from operating activities		
Profit before taxation and minority interests	242	9,800
Adjustments for :		
Amortisation of prepaid land lease payments	38	(97)
Depreciation	3,252	3,012
Gain on disposal of property, plant and equipment	-	(19)
Interest expenses	97	122
Interest income	(107)	(369)
Operating profit before working capital changes	3,522	12,449
Changes in working capital :		
Inventories	(4,209)	(949)
Receivables	(25,031)	(16,344)
Payables	(5,146)	(3,416)
Development property	(575)	(1,009)
	(31,439)	(9,269)
Interest paid	(97)	(122)
Income tax paid	(126)	(261)
Net cash used in operating activities	(31,662)	(9,652)
Cash flows from investing activities		
Interest received	107	369
Proceeds from disposal of property, plant and equipment	-	13
Purchase of property, plant and equipment	(458)	(1,624)
Net cash used in investing activities	(351)	(1,242)

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2009)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Cashflow Statements
For The Period Ended 30 June 2009

	30.06.2009	30.06.2008
	RM'000	RM'000
	unaudited	unaudited
Cash flows from financing activities		
Decrease in fixed deposits pledged to a bank	-	7
Proceeds from issuance of preference shares of a subsidiary company	-	1,145
Proceeds from short term borrowings net of repayment	5,649	2,324
Net cash generated from financing activities	5,649	3,476
Net decrease in cash and cash equivalent	(26,364)	(7,418)
Cash and cash equivalents at beginning of the year	67,282	54,268
Cash and cash equivalents at end of the year	40,918	46,850
Analysis of cash and cash equivalents		
Fixed deposits	32,130	23,720
Cash and bank balances	8,788	23,130
	40,918	46,850

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2009)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement Of Changes In Equity
For The Period Ended 30 June 2009

	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 30 June 2009							
At 1 April 2009	131,370	518	150	185,928	317,966	19,313	337,279
Transfer of shares from minority interests of a subsidiary	-	200	-	-	200	-	200
Translation differences	-	-	(9)	-	(9)	-	(9)
Profit for the period	-	-	-	2,293	2,293	(941)	1,352
Investment in a subsidiary company by minority interests	-	-	-	-	-	(961)	(961)
At 31 March 2009	131,370	718	141	188,221	320,450	17,411	337,861

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2009)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement Of Changes In Equity
For The Period Ended 30 June 2009

	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 2009							
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	-	-	(57)	-	(57)	-	(57)
Profit for the period	-	-	-	10,605	10,605	(55)	10,550
Investment in a subsidiary company by minority interests	-	-	-	-	-	1,145	1,145
At 30 June 2008	131,370	518	116	174,818	306,822	8,200	315,022

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2009)

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009

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 2009. 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 2009.

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 2009.

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 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments : Recognition and Measurement	1 January 2010
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2010
Amendment to FRS 2	Share-based Payment - Vesting Conditions and Cancellations	1 January 2010
Amendment to FRS 127	Consolidated and Separate Financial Statements : Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum funding Requirements and their interaction	1 January 2010

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009

3. Disclosure of audit qualification

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

4. Seasonality or cyclicalities 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 cyclicalities factors.

5. 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.

6. 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.

7. 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.

8. Dividends paid

There was no dividend paid during the financial period to date.

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009

9. Segmental reporting

The Group's segmental report for the financial period 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	58,243	-	15	-	-	58,258
Inter-segment sales	2,391	-	462	-	(2,853)	-
Total revenue	<u>60,634</u>	<u>-</u>	<u>477</u>	<u>-</u>	<u>(2,853)</u>	<u>58,258</u>
Segment Result						
Operating profit/(loss) before interest and tax	2,329	53	162	(2,352)	(57)	135
Interest income	105	-	2	-	-	107
Income taxes	1,118	-	(8)	-	-	1,110
Net profit/(loss)	<u>3,552</u>	<u>53</u>	<u>156</u>	<u>(2,352)</u>	<u>(57)</u>	<u>1,352</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.

10. Valuations of property, plant and equipment

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

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009

11. 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 except as disclosed below:

- i) On 11 May 2009, the Group acquired the remaining 200,000 ordinary shares of RM1.00 each representing 0.80% of the issued and paid up share capital of Rajang Plywood (Sabah) Sdn. Bhd. from Mr. Lee Kim Jiung (199,999 ordinary shares) and Ms. Lim Leh Nguk (1 ordinary share) for a cash consideration of RM2.00.

12. 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 2009. 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 30 June 2009, the amount of banking facilities utilised which were secured by corporate guarantees was RM24 million.

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

Timber

The turnover and profit after taxation from the Group's timber division amounted to RM58.2 million and RM3.6 million respectively for the quarter under review. In the previous year's corresponding quarter, sales and profit after taxation were RM97.9 million and RM10.4 million respectively. The lower sales and profit after taxation is mainly due to lower plywood sales volumes and selling prices.

Property

The Group's property division received bookings during a sales preview for its first phase of shop offices amounting to RM23.6 million for the quarter under review. The division recorded an after tax loss of RM2.3 million for the quarter under review compared to an after tax loss of RM0.2 million in the previous year's corresponding quarter. This is due to higher marketing and management expenses incurred as selling and promotion activities picked up during the quarter under review in conjunction with its official launch in August 2009.

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

Timber

The timber division's turnover for the period under review is RM58.2 million compared to RM45.9 million in the immediate preceding quarter. Profit after taxation for the period under review is RM3.6 million compared to RM4.4 million in the immediate preceding quarter.

The higher turnover is mainly due to an increase in sales volume from the Middle East and North Africa markets.

Property

The property division received bookings of RM23.6 million during the current quarter and this will be accounted for on a percentage of completion basis. This revenue would be booked-in upon commencement of construction. The division's turnover for the immediate preceding quarter was from a sale of a 9-acre plot of land earmarked for a hypermarket. The division's loss after taxation is at RM2.3 million for the quarter under review compared to RM0.3 million in the immediate preceding quarter.

15. Prospects and Outlook

There is some positivity in the global economic outlook as international as well as local financial institutions reported improved results recently. Demand for plywood has also shown some recovery since the beginning of the financial year and is expected to remain steady for the next few months. There is also an upsurge in property sales activity in the country. Tapping on this period of relative buoyancy, the Group officially launched its commercial property project in August 2009. The take up rate for the project has been very encouraging.

The Board expects the positive developments above to bring some relief to the Group's margins and as such is of the opinion that the current year's results will be profitable.

16. Variance of actual profit from forecast profit

Not applicable.

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009

17. 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	8	8
Deferred taxation		
- Current year	<u>(1,118)</u>	<u>(1,118)</u>
	<u>(1,110)</u>	<u>(1,110)</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.

18. 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 period to date.

19. Particular of purchase or disposal of quoted securities

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

20. Status of corporate proposal

On 7 May 2008, an indirect 60% owned subsidiary, The Atmosphere 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 2010.

EKSONS CORPORATION BERHAD (205814-V)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2009**

21. Group borrowings and debt securities

	As at 30.06.2009 RM'000
Short term borrowings	
- secured	6,071
- unsecured	<u>14,461</u>
	<u><u>20,532</u></u>

All the above borrowings are denominated in local currency.

22. Off balance sheet financial instruments

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

23. Material litigation

There was no material litigation against the Group as at the reporting date.

24. Proposed dividend

The Board of Directors does not recommend any interim dividend for the financial quarter ended 30 June 2009. (30 June 2008 : Nil)

EKSONS CORPORATION BERHAD (205814-V)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2009**

25. 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>2,293</u>
Number of ordinary shares in issue (in thousand)	<u>164,213</u>
Basic profit per ordinary share (sen)	<u>1.40</u>
b. Diluted	
Not applicable	

26. Subsequent event

There was no material event subsequent to the end of the current quarter.

BY ORDER OF THE BOARD

Emily Yeo Swee Ming
Company Secretary

26 August 2009