

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement of Comprehensive Income**  
**For The Period Ended 30 June 2010**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	30.06.2010 RM'000	30.06.2009 RM'000	30.06.2010 RM'000	30.06.2009 RM'000
<b>Continuing Operations :</b>				
Revenue	70,157	58,258	70,157	58,258
Operating expenses	(62,074)	(58,291)	(62,074)	(58,291)
Other operating income	245	279	245	279
Profit from operations	<u>8,328</u>	<u>246</u>	<u>8,328</u>	<u>246</u>
Finance costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit before tax	8,328	246	8,328	246
Taxation	183	1,110	183	1,110
<b>Profit from continuing operations, net of tax</b>	<u>8,511</u>	<u>1,356</u>	<u>8,511</u>	<u>1,356</u>
<b>Discontinued Operations :</b>				
Profit/(loss) from discontinued operations	<u>208</u>	<u>(4)</u>	<u>208</u>	<u>(4)</u>
<b>Profit for the period</b>	<u>8,719</u>	<u>1,352</u>	<u>8,719</u>	<u>1,352</u>
<b>Other Comprehensive Income :</b>				
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>8,719</u>	<u>1,352</u>	<u>8,719</u>	<u>1,352</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010)

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement of Comprehensive Income**  
**For The Period Ended 30 June 2010**

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Corresponding	To Date	Corresponding
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
	RM'000	RM'000	RM'000	RM'000
Profit attributable to :				
Owners of the Parent	9,247	2,297	9,247	2,297
Non-controlling interest	<u>(528)</u>	<u>(941)</u>	<u>(528)</u>	<u>(941)</u>
	<u>8,719</u>	<u>1,356</u>	<u>8,719</u>	<u>1,356</u>
Total comprehensive income attributable to :				
Owners of the Parent	9,247	2,297	9,247	2,297
Non-controlling interest	<u>(528)</u>	<u>(941)</u>	<u>(528)</u>	<u>(941)</u>
	<u>8,719</u>	<u>1,356</u>	<u>8,719</u>	<u>1,356</u>
Earnings Per Share				
(a) Basic (sen)	5.63	1.40	5.63	1.40
(b) Diluted (sen)	-	-	-	-

**(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010)**

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Balance Sheets**  
**As At 30 June 2010**

	<b>As at 30.06.2010 RM'000 unaudited</b>	<b>As at 31.03.2010 RM'000 audited</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	157,781	160,313
Prepaid land lease payments	9,402	9,441
Land held for property development	17,678	17,678
Goodwill on consolidation	26,763	26,763
	<u>211,624</u>	<u>214,195</u>
<b>Current assets</b>		
Property development costs	47,813	44,024
Inventories	100,277	86,286
Trade receivables	27,477	34,852
Other receivables	2,997	2,681
Current tax asset	2,076	2,614
Term deposits	44,109	37,432
Cash and bank balances	14,972	16,421
	<u>239,721</u>	<u>224,310</u>
Non current asset classified as held for sale	2,221	2,001
	<u>241,942</u>	<u>226,311</u>
<b>TOTAL ASSETS</b>	<u><u>453,566</u></u>	<u><u>440,506</u></u>

**(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010)**

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Balance Sheets**  
**As At 30 June 2010**

	<b>As at 30.06.2010 RM'000 unaudited</b>	<b>As at 31.03.2010 RM'000 audited</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	131,370	131,370
Retained earnings	220,007	210,760
Capital reserves	896	884
	<u>352,273</u>	<u>343,014</u>
<b>Non-controlling interest</b>	19,498	20,026
<b>Total equity</b>	<u>371,771</u>	<u>363,040</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	2,679	2,869
	<u>2,679</u>	<u>2,869</u>
<b>Current liabilities</b>		
Borrowings	38,382	39,861
Trade payables	35,867	30,585
Other payables	4,867	4,151
	<u>79,116</u>	<u>74,597</u>
<b>Total liabilities</b>	<u>81,795</u>	<u>77,466</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>453,566</u>	<u>440,506</u>
Net asset per share	2.15	2.09

**(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010)**

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Cashflow Statements**  
**For The Period Ended 30 June 2010**

	<b>3 Months Ended</b>	
	<b>30.06.2010</b>	<b>30.06.2009</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>unaudited</b>	<b>unaudited</b>
<b>Cash flows from operating activities</b>		
Profit before tax from continuing operations	8,328	246
Profit before tax from discontinued operations	208	(4)
Profit before tax, total	8,536	242
Adjustments for :		
Amortisation of prepaid land lease payments	39	38
Bad debts recovered	(220)	-
Depreciation	3,335	3,252
Interest expenses-cost of sales	141	97
Interest income	(190)	(107)
Loss on disposal of property, plant and equipment	24	-
Property, plant and equipment written off	1	-
<b>Operating profit before working capital changes</b>	<b>11,666</b>	<b>3,522</b>
Changes in working capital :		
Inventories	(13,991)	(4,209)
Receivables	7,146	(25,031)
Payables	5,998	(5,146)
Development property	(3,534)	(575)
	7,285	(31,439)
Interest paid-cost of sales	(141)	(97)
Interest paid-property development costs	(255)	-
Income tax recovered/(paid)	455	(126)
Net cash generated from/(used in) operating activities	7,344	(31,662)
<b>Cash flows from investing activities</b>		
Interest received	190	107
Proceeds from disposal of property, plant and equipment	40	-
Purchase of property, plant and equipment	(868)	(458)
Net cash used in investing activities	(638)	(351)

**(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010)**

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Cashflow Statements**  
**For The Period Ended 30 June 2010**

	<b>3 Months Ended</b>	
	<b>30.06.2010</b>	<b>30.06.2009</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>unaudited</b>	<b>unaudited</b>
<b>Cash flows from financing activities</b>		
Proceeds from short term borrowings net of repayment	786	5,649
Net cash generated from financing activities	786	5,649
<b>Net increase/(decrease) in cash and cash equivalent</b>	7,492	(26,364)
<b>Cash and cash equivalents at beginning of the year</b>	34,752	67,282
<b>Cash and cash equivalents at end of the year</b>	42,244	40,918
<b>Analysis of cash and cash equivalents</b>		
Fixed deposits	44,109	32,130
Cash and bank balances	14,972	8,788
Less : Fixed deposits pledged as security	(1,834)	-
	57,247	40,918
Bank overdraft	(15,003)	-
	42,244	40,918

**(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010)**

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement Of Changes In Equity**  
**For The Period Ended 30 June 2010**

	<b>Share Capital RM'000</b>	<b>Consolidation Reserve RM'000</b>	<b>Translation Reserve RM'000</b>	<b>Distributable Retained Profits RM'000</b>	<b>Total RM'000</b>	<b>Minority Interests RM'000</b>	<b>Total Equity RM'000</b>
<b>Current Year To Date Ended 30 June 2010</b>							
At 1 April 2010	131,370	718	166	210,760	343,014	20,026	363,040
Transfer of shares from minority interests of a subsidiary	-	-	-	-	-	-	-
Translation differences	-	-	12	-	12	-	12
Profit for the period	-	-	-	9,247	9,247	(528)	8,719
Investment in a subsidiary company by minority interests	-	-	-	-	-	-	-
At 30 June 2010	<u>131,370</u>	<u>718</u>	<u>178</u>	<u>220,007</u>	<u>352,273</u>	<u>19,498</u>	<u>371,771</u>

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010)**

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement Of Changes In Equity**  
**For The Period Ended 30 June 2010**

	<b>Share Capital RM'000</b>	<b>Consolidation Reserve RM'000</b>	<b>Translation Reserve RM'000</b>	<b>Distributable Retained Profits RM'000</b>	<b>Total RM'000</b>	<b>Minority Interests RM'000</b>	<b>Total Equity RM'000</b>
<b>Preceding Year Corresponding Period Ended 30 June 2009</b>							
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	-	-	-	2,297	2,297	(941)	1,356
Investment in a subsidiary company by minority interests	-	-	-	-	-	(961)	(961)
At 30 June 2009	131,370	718	141	188,225	320,454	17,411	337,865

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2010)**

## EKSONS CORPORATION BERHAD (205814-V)

### EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2010

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#### 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 2010. 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 2010.

#### 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 2010 except for the adoption of the following new and revised Financial Reporting Standards ("FRSs"), amendment to FRS and Issues Committee ("IC") Interpretations :

FRS 4	Insurance Contracts
FRS 7	Financial Instruments : Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements
FRS 123	Borrowing Costs
FRS 139	Financial Instruments : Recognition and Measurement
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity of Associate
Amendment to FRS 2	Share-based Payment - Vesting Conditions and Cancellations
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendment to FRS 7	Financial Instruments : Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Cash Flow Statements
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events After the Balance Sheet Date
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 118	Revenue
Amendment to FRS 119	Employee Benefits
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendment to FRS 128	Investments in Associates
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendment to FRS 131	Interests in Joint Ventures

## EKSONS CORPORATION BERHAD (205814-V)

### EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2010

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#### 2. Changes in Accounting Policies (Continued)

Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 138	Intangible Assets
Amendment to FRS 139	Financial Instruments : Recognition and Measurement, FRS 7: Financial Instruments: Disclosure and IC Interpretation 9: Reassessment of Embedded Derivatives
Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 9	Amendments to FRS 139 Financial Instruments : Recognition and Measurement, FRS 7 Financial Instruments : Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum funding Requirements and their interaction

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 7: Financial Instruments : Disclosures

Prior to 1 January 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 Financial Instruments: Disclosure and Presentation. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

However, FRS 7 disclosures are not required in the interim financial statements, and hence, no further disclosures has been made. Such disclosures will be made in the audited financial statements of the Company.

## **EKSONS CORPORATION BERHAD (205814-V)**

### **EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2010**

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#### **2. Changes in Accounting Policies (Continued)**

(b) FRS 8: Operating Segments

FRS 8, which replaces FRS 114 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114. The Group has adopted FRS 8 retrospectively.

(c) FRS 101: Presentation of Financial Statements (Revised)

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as one single statement.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements.

The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.

The revised FRS 101 was adopted retrospectively by the Group and the Company.

(d) FRS 139 Financial Instruments : Recognition and Measurement

Prior to the adoption of FRS 139, derivative contracts were recognised in the financial statements on settlement date. With the adoption of FRS 139, derivative contracts are recognised on contract date and categorised as fair value through profit or loss.

In accordance with the transitional provisions of FRS 139, the above changes are applied prospectively and the comparatives as at 31 March 2010 are not restated. The adoption of FRS 139 does not have any significant impact on the results of the Group.

## **EKSONS CORPORATION BERHAD (205814-V)**

### **EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2010**

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#### **2. Changes in Accounting Policies (Continued)**

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 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations	1 July 2010
FRS 127	Consolidated and Separate Financial Statements	1 July 2010
Amendment to FRS 2	Share-based Payment	1 July 2010
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendment to FRS 138	Intangible Assets	1 July 2010
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
Amendment to IC Interpretation 9	Reassessment of Embedded Derivatives	1 July 2010

The new FRSs and Interpretations, and amendments to certain Standards and Interpretations above are expected to have no significant impact on the financial statements of the Company upon their initial application.

#### **3. Disclosure of audit qualification**

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

#### **4. 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.

#### **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.

## EKSONS CORPORATION BERHAD (205814-V)

### EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2010

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#### 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 of the Company for the current financial year to date.

#### 8. Dividends paid

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

#### 9. Segmental reporting

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

	Timber Operations RM'000	Trading RM'000	Property and Investment Holdings RM'000	Property Development RM'000	Eliminations RM'000	Consolidated RM'000
<b>Segment Revenue</b>						
External sales	70,147	-	10	-	-	70,157
Inter-segment sales	25,164	-	-	-	(25,164)	-
Total revenue	<u>95,311</u>	<u>-</u>	<u>10</u>	<u>-</u>	<u>(25,164)</u>	<u>70,157</u>
<b>Segment Result</b>						
Operating profit/(loss) before interest and tax	9,546	190	(67)	(1,342)	19	8,346
Interest income	169	-	-	21	-	190
Income taxes	190	-	(7)	-	-	183
Net profit/(loss)	<u>9,905</u>	<u>190</u>	<u>(74)</u>	<u>(1,321)</u>	<u>19</u>	<u>8,719</u>

## **EKSONS CORPORATION BERHAD (205814-V)**

### **EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2010**

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#### **9. Segmental reporting (Continued)**

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.

#### **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.

#### **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 2010. The contingent liabilities represent corporate guarantees in respect of banking facilities granted to subsidiary companies.

As at 30 June 2010, the amount of banking facilities utilised which were secured by corporate guarantees was RM39.7 million.

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

The Group's profit after taxation for the year under review and corresponding quarter of the previous financial year are RM8.7 million and RM1.4 million respectively. The Group recorded a turnover of RM70.2 million in the quarter under review. The turnover of the Group in the corresponding quarter of the previous financial year was RM58.3 million.

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

The performance of the Group's divisions for the quarter under review is as follows:

*Timber*

The timber division recorded a higher turnover of RM70.2 million for the quarter under review compared to RM58.2 million for the corresponding period of the previous financial year. Profit after taxation for the period under review and the corresponding quarter of the previous financial year is RM9.9 million and RM3.6 million respectively.

The higher turnover and profit after tax is due to higher plywood sales volume for the quarter under review.

*Property*

There was no recognition of revenue from this division for the period under review as construction work had just started in May 2010.

The division recorded a loss after tax of RM1.3 million for the quarter under review. In the corresponding quarter of the previous financial year, the division recorded a loss of RM2.4 million.

The loss for both periods comprise mainly of management and marketing expenses.

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

The Group recorded a turnover of RM70.2 million for the quarter under review. In the immediate preceding quarter, the Group's turnover was RM71.7 million. Profit after taxation for the quarter under review is RM8.7 million while the profit after taxation for the immediate preceding quarter was RM13.5 million. Included in the immediate preceding quarter's profit after taxation is an income amounting to RM9.9 million arising from an adjustment to development cost recognised upon the acquisition of the Company's subsidiary Russella Teguh Sdn Bhd.

The operating results of the Group's core divisions for the period under review compared to the immediate preceding quarter's is as follows :

*Timber*

The division's turnover for the quarter under review and the immediate preceding quarter is RM70.2 million and RM71.7 million respectively. The profit after taxation for the above periods are RM9.9 million and RM5.1 million respectively.

**EKSONS CORPORATION BERHAD (205814-V)**

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 30 JUNE 2010**

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**14. Material changes in the results of the current quarter compared to the results of the immediate preceding quarter (Continued)**

*Property*

This division's loss after taxation for the period under review is RM1.3 million. In the immediate preceding quarter, the division's loss after taxation was RM1.2 million.

During the quarter under review construction work commenced for several shop office blocks. The first progress billings for the division were made in July 2010.

**15. Prospects and Outlook**

*Timber*

The plywood market is likely to remain stable for the months ahead. The Group's plywood operation is expected to return positive results.

*Property*

The Atmosphere project is expected to launch components of its next phase within the next few months. As with the current phase, it will feature commercial properties with market-leading elements and concepts.

Barring unforeseen circumstances, the Board expects the results of the Group to remain positive.

**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 2010**

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

	<b>Current Quarter RM'000</b>	<b>Financial Year-to-date RM'000</b>
Taxation		
- Current year charge	(7)	(7)
Deferred taxation		
- Current year	190	190
	<u>183</u>	<u>183</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 some 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**

There was no corporate proposal announced by the Group but not completed at the date of this report.

## **EKSONS CORPORATION BERHAD (205814-V)**

### **EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2010**

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#### **21. Group borrowings and debt securities**

	<b>As at 30.06.2010 RM'000</b>
Short term borrowings	
- secured	27,179
- unsecured	11,203
	<u>38,382</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**

On 26 May 2010, the Board of Directors has proposed a final dividend in respect of the financial year ended 31 March 2010, of 3 sen per share under single-tier system on 164,213,000 ordinary shares, amounting to a dividend payable of approximately RM4,926,390 (31 March 2009 : Nil). The proposed dividend is subject to the approval of shareholders at the forthcoming AGM of the Company.

The Board of Directors does not recommend any interim dividend for the financial quarter ended 30 June 2010. (30 June 2009 : Nil).

#### **25. Financial derivatives**

As at 30 June 2010, the Group did not hold any financial derivatives.

**EKSONS CORPORATION BERHAD (205814-V)**

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**26. Earnings per share**

The earnings per share is calculated as follows :

	<b>Financial Year-to-date RM'000</b>
<b>a. Basic</b>	
Net profit attributable to ordinary shareholders (RM'000)	<u>9,247</u>
Number of ordinary shares in issue (in thousand)	<u>164,213</u>
Basic profit per ordinary share (sen)	<u>5.63</u>
<b>b. Diluted</b>	
Not applicable	

**27. 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 2010