

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Comprehensive Income
For The Period Ended 31 March 2011

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
	RM'000	RM'000	RM'000	RM'000
Revenue	83,147	71,668	326,290	279,149
Operating expenses	(80,333)	(68,298)	(304,387)	(265,819)
Other operating income	1,076	10,115	2,102	11,174
Profit from operations	3,890	13,485	24,005	24,504
Finance costs	-	-	-	-
Profit before tax	3,890	13,485	24,005	24,504
Taxation	1,444	(30)	5,516	4,757
Profit for the period	5,334	13,455	29,521	29,261
Other Comprehensive Income :				
Foreign currency translation	(3)	29	(18)	16
Total comprehensive income for the period	5,331	13,484	29,503	29,277

(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 31 March 2011

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Corresponding	To Date	Corresponding
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
	RM'000	RM'000	RM'000	RM'000
Profit attributable to :				
Owners of the Parent	2,913	9,961	24,443	28,116
Non-controlling interest	2,421	3,494	5,078	1,145
	<u>5,334</u>	<u>13,455</u>	<u>29,521</u>	<u>29,261</u>
Total comprehensive income attributable to :				
Owners of the Parent	2,910	9,990	24,425	28,132
Non-controlling interest	2,421	3,494	5,078	1,145
	<u>5,331</u>	<u>13,484</u>	<u>29,503</u>	<u>29,277</u>
Earnings Per Share				
(a) Basic (sen)	1.77	6.07	14.88	17.12
(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 Statement of Financial Position
As At 31 March 2011

	As at 31.03.2011 RM'000 unaudited	As at 31.03.2010 RM'000 audited
ASSETS		
Non-current assets		
Property, plant and equipment	148,870	160,313
Prepaid land lease payments	9,285	9,441
Land held for property development	18,875	17,678
Deferred tax assets	2,843	-
Goodwill on consolidation	26,763	26,763
	<u>206,636</u>	<u>214,195</u>
Current assets		
Property development costs	37,002	44,024
Inventories	104,156	86,286
Trade receivables	20,870	34,852
Other receivables	5,131	2,681
Current tax asset	2,548	2,614
Term deposits	50,189	37,432
Cash and bank balances	25,962	16,421
	<u>245,858</u>	<u>224,310</u>
Non current asset classified as held for sale	220	2,001
	<u>246,078</u>	<u>226,311</u>
TOTAL ASSETS	<u><u>452,714</u></u>	<u><u>440,506</u></u>

(The Condensed Consolidated Statement of Financial Position 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 Financial Position
As At 31 March 2011

	As at 31.03.2011 RM'000 unaudited	As at 31.03.2010 RM'000 audited
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	131,370	131,370
Retained earnings	226,171	210,760
Capital reserves	866	884
	<u>358,407</u>	<u>343,014</u>
Non-controlling interest	24,104	20,026
Total equity	<u>382,511</u>	<u>363,040</u>
Non-current liabilities		
Deferred tax liabilities	-	2,869
	<u>-</u>	<u>2,869</u>
Current liabilities		
Borrowings	23,498	39,861
Trade payables	35,437	30,585
Other payables	11,268	4,151
	<u>70,203</u>	<u>74,597</u>
Total liabilities	<u>70,203</u>	<u>77,466</u>
TOTAL EQUITY AND LIABILITIES	<u>452,714</u>	<u>440,506</u>
Net asset per share	2.18	2.09
	-	-

(The Condensed Consolidated Statement of Financial Position 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 Cash Flows
For The Period Ended 31 March 2011

	31.03.2011	31.03.2010
	RM'000	RM'000
	unaudited	audited
Cash flows from operating activities		
Profit before taxation	24,005	24,504
Adjustments for :		
Allowance for doubtful debts	-	3
Allowance for doubtful debts written back	-	(504)
Amortisation of prepaid land lease payments	156	156
Bad debts recovered	(220)	-
Bad debts written off	-	514
Depreciation	13,385	13,147
Discount on acquisition of a subsidiary	-	(47)
Loss on disposal of property, plant and equipment	129	-
Gain on disposal of non current asset held for sale	(741)	-
Interest expenses	707	448
Interest income	(830)	(416)
Loss on disposal of property, plant and equipment	-	148
Property, plant and equipment written off	3	10
Operating profit before working capital changes	<u>36,594</u>	<u>37,963</u>
Changes in working capital :		
Inventories	(17,870)	(16,267)
Receivables	11,533	11,623
Payables	11,951	1,179
Property development cost	6,696	(1,925)
	<u>48,904</u>	<u>32,573</u>
Interest paid	(707)	(448)
Interest paid-property development costs	(870)	(268)
Income tax paid	(131)	(67)
Net cash generated from operating activities	<u>47,196</u>	<u>31,790</u>
Cash flows from investing activities		
Interest received	830	416
Acquisition of subsidiary company	-	(62,480)
Proceeds from disposal of non current asset held for sale	2,741	-
Proceeds from disposal of property, plant and equipment	186	110
Purchase of property, plant and equipment	(2,260)	(5,487)
Net cash generated from/(used in) investing activities	<u>1,497</u>	<u>(67,441)</u>

(The Condensed Consolidated Statement of Cash Flows 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 Cash Flows
For The Period Ended 31 March 2011

	31.03.2011 RM'000 unaudited	31.03.2010 RM'000 audited
Cash flows from financing activities		
Decrease in fixed deposits pledged to a bank	-	(1,834)
Dividend paid	(9,032)	(3,284)
Dividend paid to non-controlling interest	(1,000)	-
Proceeds from issuance of preference shares of a subsidiary company	-	529
Proceeds from short term borrowings net of repayment	(391)	7,710
Net cash (used in)/generated from financing activities	(10,423)	3,121
Net increase/(decrease) in cash and cash equivalent	38,270	(32,530)
Cash and cash equivalents at beginning of the year	34,752	67,282
Cash and cash equivalents at end of the year	73,022	34,752
Analysis of cash and cash equivalents		
Fixed deposits	50,189	37,432
Cash and bank balances	25,962	16,421
Less : Fixed deposits pledged as security	(1,834)	(1,834)
	74,317	52,019
Bank overdraft	(1,295)	(17,267)
	73,022	34,752

(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 31 March 2011

	← Attributable to owners of the parent →				Total	Minority	Total
	Share	Non-Distributable	Translation	Distributable			
	Capital	Consolidation	Reserve	Retained		Interests	Equity
	RM'000	RM'000	RM'000	Profits	RM'000	RM'000	RM'000
Current Year To Date							
<u>Ended 31 March 2011</u>							
At 1 April 2010	131,370	718	166	210,760	343,014	20,026	363,040
Total comprehensive income	-	-	(18)	24,443	24,425	5,078	29,503
Transactions with owners							
Dividend paid	-	-	-	(9,032)	(9,032)	(1,000)	(10,032)
Total transactions with owners	-	-	-	(9,032)	(9,032)	(1,000)	(10,032)
At 31 March 2011	131,370	718	148	226,171	358,407	24,104	382,511

(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 31 March 2011

	← Attributable to owners of the parent →				Total	Minority	Total
	Share	Non-Distributable	Translation	Distributable			
	Capital	Consolidation	Reserve	Retained		Interests	Equity
	RM'000	RM'000	RM'000	Profits	RM'000	RM'000	RM'000
Preceding Year							
Corresponding Period							
Ended 31 March 2010							
At 1 April 2009	131,370	518	150	185,928	317,966	19,313	337,279
Total comprehensive income	-	-	16	28,116	28,132	1,145	29,277
Transactions with owners							
Transfer of shares from minority interests of a subsidiary	-	200	-	-	200	-	200
Interim dividend paid	-	-	-	(3,284)	(3,284)	-	(3,284)
Investment in a subsidiary company by minority interests	-	-	-	-	-	529	529
Disposal of shares in a subsidiary company by minority interests	-	-	-	-	-	(961)	(961)
Total transactions with owners	-	200	-	(3,284)	(3,084)	(432)	(3,516)
At 31 March 2010	131,370	718	166	210,760	343,014	20,026	363,040

(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 31 MARCH 2011

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 2011. 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 2011.

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 2011 except for the adoption of the following new and revised Financial Reporting Standards ("FRSs"), amendment to FRS and Issues Committee ("IC") Interpretations :

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 4	Insurance Contracts
FRS 7	Financial Instruments : Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements
FRS 123	Borrowing Costs
FRS 127	Consolidated and Separate Financial Statements
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 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters Additional Exemptions for First-time Adopters
Amendment to FRS 2	Share-based Payment - Vesting Conditions and Cancellations Group Cash-settled Share-based Payment Transactions
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendment to FRS 7	Financial Instruments : Disclosures Improving Disclosures about Financial Instruments
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 121	The Effects of Changes in Foreign Exchange Rates
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 31MARCH 2011

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 4	Determining whether an Arrangement contains a Lease
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 12	Service Concession Arrangements
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum funding Requirements and their interaction
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfer of Assets from Customers
Amendment to IC Interpretation 9	Reassessment of Embedded Derivatives

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.

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 2011 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 31 MARCH 2011

2. Changes in Accounting Policies (Continued)

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

		Effective for financial periods beginning on or after
FRS 124	Related Party Disclosures	1 January 2012
IC Interpretation 15	Agreements for the Construction of Real Estate	1 January 2012
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendment to IC Interpretation 14	Prepayments of a Minimum Funding Requirement	1 July 2011

The Interpretation above is 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.

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

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.

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2011

8. Dividends paid

On 25 February 2011, the Board of Directors approved an interim dividend in respect of the financial year ended 31 March 2011 of 2.5 sen per share under the single tier system (31 March 2010: tax exempt interim dividend of 2 sen per share).

The interim dividend was paid on 18 April 2011 to shareholders whose names appeared on the Record of Depositors of Eksons Corporation Berhad at the close of business on 25 March 2011.

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
Segment Revenue						
External sales	277,656	50		48,584	-	326,290
Inter-segment sales	118,955	-	9,374	-	(128,329)	-
Total revenue	<u>396,611</u>	<u>50</u>	<u>9,374</u>	<u>48,584</u>	<u>(128,329)</u>	<u>326,290</u>
Segment Result						
Operating profit/(loss) before interest and tax	13,421	303	8,765	10,137	(9,451)	23,175
Interest income	758	-	13	59	-	830
Income taxes	5,516	-	6	(6)	-	5,516
Net profit/(loss)	<u>19,695</u>	<u>303</u>	<u>8,784</u>	<u>10,190</u>	<u>(9,451)</u>	<u>29,521</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 bought 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 31 March 2011, the amount of banking facilities utilised which were secured by corporate guarantees was RM24.8 million.

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

The Group's turnover for the current financial year and the previous financial year are RM326.3 million and RM279.1 million respectively. The Group's profit after taxation for the financial year under review and the previous financial year are RM29.5 million and RM29.3 million respectively.

For the quarter under review, the Group recorded a turnover of RM83.1 million. Profit after taxation is RM5.33 million. The turnover and profit after taxation for the corresponding quarter of the previous financial year was RM71.7 million and RM13.4 million respectively.

The performance of the Group's timber and property development divisions for the period under review is as follows:

Timber

The Group's timber division recorded a turnover of RM277.7 million for the financial year under review that is marginally lower than RM279.1 million recorded for the previous financial year. The division's profit after taxation for the year under review stood at RM19.7 million as compared to RM27.9 million in the previous financial year.

For the quarter under review, the division achieved a turnover of RM65.7 million as compared to RM71.7 million for corresponding quarter of the previous financial year. Meanwhile, profit after taxation of the quarter under review is RM2.1 million as compared to RM5.1 million for the corresponding quarter of the previous financial year.

The margins for the financial year under review were affected by higher logs costs and a weaker US Dollar.

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

Property Development

The Group's property development division recorded a turnover of RM48.6 million and a profit after taxation of RM10.2 million for the year under review. The division had not begun to recognise sales in the previous financial year. The division reported a loss of RM7.1 million in the previous financial year which comprised mainly of management and marketing expenses.

For the quarter under review, the division recorded a turnover of RM17.5 million and a profit after taxation of RM3.5 million. In the corresponding quarter of the previous financial year, the division has a loss of RM1.2 million.

The division's turnover and profit after taxation is derived from its current project, The Atmosphere.

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

The Group's turnover and profit after taxation for the quarter under review are RM83.1 million and RM5.3 million respectively. In the immediate preceding quarter the Group's turnover and profit after taxation were at RM80.0 million and RM5.2 million respectively.

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

Timber

The timber division put in a turnover of RM65.7 million for the quarter under review as compared to RM56.0 million in the immediate preceding quarter. Profit after taxation for the quarter under review and immediate preceding quarter are RM2.1 million and RM3.0 million respectively.

Higher production costs and a weaker US Dollar squeezed margins for the quarter under review.

Property Development

The property development division recorded a turnover of RM17.5 million and a profit after taxation of RM3.5 million. In the immediate preceding quarter, the division's turnover and profit after taxation were RM24.0 million and RM2.4 million respectively.

15. Prospects and Outlook

Timber

Since the Company's financial year-end, world plywood prices have trended upwards in anticipation of increase in demand from Japan as well as adjustments to reflect higher production costs. Although the Group does not export to Japan, the Group's plywood prices are expected to move in tandem and this should bring about some relief to the Group's tight plywood margins.

EKSONS CORPORATION BERHAD (205814-V)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31MARCH 2011

15. Prospects and Outlook (Continued)

Property Development

The Malaysian property market is likely to remain buoyant in the current financial year and the Group's property development division is riding on this to launch new phases of The Atmosphere soon.

Efforts are also underway to help purchasers lease out their soon-to-be-completed units at The Atmosphere. This exercise will also be used as a business mix management to set the tone of The Atmosphere as a vibrant regional business and leisure destination.

The Group is also scouting for suitable properties to increase the Group's land bank for future development.

Given the above, the Board is of the opinion that the results of the Group will remain positive for the current financial year.

16. Variance of actual profit from forecast profit

Not applicable.

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	(183)	(196)
Deferred taxation		
- Current year	1,627	5,712
	<u>1,444</u>	<u>5,516</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.

EKSONS CORPORATION BERHAD (205814-V)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 MARCH 2011**

20. Status of corporate proposal

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

21. Group borrowings and debt securities

	As at 31.12.2010 RM'000
Short term borrowings	
- secured	11,101
- unsecured	<u>12,397</u>
	<u><u>23,498</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 has proposed a final dividend in respect of the financial year ended 31 March 2011, of 2.5 sen per share under single-tier system on 164,213,000 ordinary shares, amounting to a dividend payable of approximately RM4,105,325 (31 March 2010: RM4,926,390). The proposed dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting of the Company.

25. Disclosure requirements pursuant to implementation of FRS 139

Part A: Disclosure of derivatives

As at 31 March 2011, the Group did not hold any financial derivatives.

Part B: Disclosure of gains/losses arising from fair value changes of financial liabilities

As at 31 March 2011, the Group did not have any gains/losses arising from fair value changes of financial liabilities.

EKSONS CORPORATION BERHAD (205814-V)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31MARCH 2011**

25. Disclosure requirements pursuant to implementation of FRS 139 (Continued)

Part C: Disclosure of breakdown of realised and unrealised profits or losses

The Group's realised and unrealised retained profits are as follows:

	As at 31.12.2010 RM'000
Total retained profits of the Company and its subsidiaries:	
- Realised	224,640
- Unrealised	<u>247</u>
	224,887
Add: Consolidation adjustments	<u>2,032</u>
Total group retained profits as per consolidated accounts	<u><u>226,919</u></u>

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>24,443</u>
Number of ordinary shares in issue (in thousand)	<u>164,213</u>
Basic profit per ordinary share (sen)	<u>14.88</u>
b. Diluted	
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 May 2011