

**FOR IMMEDIATE RELEASE**

**EKSONS CORPORATION BERHAD**

- *Eksons' improves year on year results*
- *Eksons posted 1Q earnings per share of 8.3 sen*
- *Eksons announces 1Q profit, confirms the commissioning of its biomass plant*

**Kuala Lumpur, 28 August 2007** – Eksons Corporation Bhd (“Eksons”) today announced an improved year on year set of results for the first quarter of its financial year 2008.

For the first quarter ended 30 June 2007, Eksons’ net profit surged 75.8% to RM13.68 million or earnings per share of 8.3 sen compared with RM7.78 million or earnings per share of 4.7 sen in the same quarter last year. Turnover rose 27.6% to RM114.1 million during the quarter compared with RM89.4 million in the same quarter last year.

The surge in profits during the quarter was underpinned by higher margins from higher plywood selling prices and higher sales volume compared with the same quarter last year.

Faced with the concerns of a slowdown in housing starts in the USA, the Company was quick to shift its sales concentration to markets in the Middle East and North Africa during the quarter in review, which more than compensated for the slower take-up from the US market. In any case, the Company does not expect any downturn in demand from the USA to have a significant impact on sales given its existing wide spread international customer base.

According to Eksons’ Executive Director, Mr Tang Seng Fatt, “Eksons’ thin plywood which is mainly used for interior furnishing has seen demand creeping back from the USA in the months proceeding the first quarter ended 30 June 2007.”

Going forward for the 2008 financial year, other than a full year's contribution from a 20% capacity expansion in the Tawau mill to 150,000 cubic metres per annum, the group's profits should also be boosted by significant savings in power generation costs following the commissioning of its 3 MW biomass power plant in Tawau. The power plant utilises wood chip as fuel input and has phased out the diesel powered generators.

“We have also invested in new equipment which is expected to enhance production efficiencies and maintain production cost at competitive levels,” said Mr Tang.

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***About Eksons Corporation Bhd (EKSONS)***

EKSONS is one Malaysia's largest manufacturer of thin plywood of <3mm thickness. Production is carried out via two plants in Sibul, Sarawak, and Tawau, Sabah with a combined capacity of approximately 285,000 cubic metres per annum. Over 90% of its products are exported, mainly to the US, Middle East and Africa.

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Contact :

**Mr. Tang Seng Fatt**, Director

Tel : +(603) 2161-1223

Fax : +(603) 2161-1213