

M3 TECHNOLOGIES (ASIA) BERHAD

(Incorporated in Malaysia - Company No. 482772-D)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three (3) months ended 30 September 2010

(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	2010 Quarter Ended 30-Sep-10 RM'000	2009 Quarter Ended 30-Sep-09 RM'000	2010 Year to date 30-Sep-10 RM'000	2009 Year to date 30-Sep-09 RM'000
Revenue	11,545	10,217	11,545	10,217
Operating Expenses	(10,392)	(9,067)	(10,392)	(9,067)
Other Operating Income	-	-	-	-
Profit from Operations	1,153	1,150	1,153	1,150
Finance costs, net	30	44	30	44
Profit before taxation	1,183	1,194	1,183	1,194
Taxation	(298)	(407)	(298)	(407)
Profit after taxation	885	787	885	787
Attributable to:				
Equity holders of the Company	768	586	768	586
Minority interests	117	201	117	201
Profit for the period	885	787	885	787
Earnings per share				
Basic / Diluted (sen)	0.47	0.36	0.47	0.36

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30th June 2010)

M3 TECHNOLOGIES (ASIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2010 & 30 June 2010

	(UNAUDITED)	(AUDITED)
	As at	As at
	30-Sep-10	30-Jun-10
	RM'000	RM'000
Non-current Assets		
Plant and equipment	3,478	3,591
Intangible assets	1,107	994
Deferred tax asset	109	109
Goodwill on consolidation	13,034	13,034
	<u>17,728</u>	<u>17,728</u>
Current Assets		
Trade receivables	12,534	11,092
Other receivables	2,157	2,542
Inventory	5,132	3,637
Cash and bank balances	16,511	17,698
	<u>36,334</u>	<u>34,969</u>
Current Liabilities		
Trade payables	2,896	3,511
Other payables	3,469	2,225
Tax payable	675	422
	<u>7,040</u>	<u>6,158</u>
Net Current Assets	29,294	28,811
	<u>47,022</u>	<u>46,539</u>
Shareholders' Funds		
Share capital	16,352	16,352
Treasury shares	(309)	(309)
Share premium	2,352	2,352
Retained profit	26,774	26,006
Foreign exchange reserve	(1,151)	(749)
	<u>44,018</u>	<u>43,652</u>
Minority interest	2,800	2,683
	<u>46,818</u>	<u>46,335</u>
Deferred tax liabilities	204	204
	<u>47,022</u>	<u>46,539</u>
Net assets per share (sen)	28.63	28.34
Net assets per share attributable to ordinary equity holders of the parent	26.92	26.70

(The Condensed Consolidated Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2010)

M3 TECHNOLOGIES (ASIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the three (3) months ended 30 September 2010 & 30 September 2009

	< --- Attributable to Equity Holders of the Parent ---- >						Minority Interest	Total
	Share Capital	Share Premium	Treasury Shares	Foreign Exchange Reserve	Retained Profit	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Three (3) months ended 30 September 2010								
Balance at 1 July 2010	16,352	2,352	(309)	(749)	26,006	43,652	2,683	46,335
Currency translation differences not recognised in income statement	-	-	-	(402)		(402)		(402)
Net profit for the three (3) months period ended 30 September 2010	-	-	-	-	768	768	117	885
Purchase of treasury shares	-	-	-	-		-		-
Balance at 30 September 2010	16,352	2,352	(309)	(1,151)	26,774	44,018	2,800	46,818
Three (3) months ended 30 September 2009								
Balance at 1 July 2009	16,352	2,352	(65)	(97)	26,717	45,259	2,433	47,692
Currency translation differences not recognised in income statement	-	-	-	80		80		80
Net profit for the three (3) months period ended 30 September 2009	-	-	-	-	586	586	201	787
Purchase of treasury shares	-	-	(190)	-		(190)		(190)
Balance at 30 September 2009	16,352	2,352	(255)	(17)	27,303	45,735	2,634	48,369

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2010)

M3 TECHNOLOGIES (ASIA) BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the three (3) months ended 30 September 2010 & 30 September 2009

	<u>30-Sep-10</u> RM'000	<u>30-Sep-09</u> RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,183	1,194
Adjustment for:		
Amortisation and depreciation	560	749
Plant and equipment written off	-	-
Operating profit before working capital changes	<u>1,743</u>	<u>1,943</u>
Changes in working capital:		
(Increase)/Decrease in receivables	(1,057)	(1,253)
(Increase)/Decrease in inventories	(1,495)	-
Increase/(Decrease) in payables	629	601
Cash generated from operating activities	<u>(180)</u>	<u>1,291</u>
Taxes paid	(45)	118
Net cash generated from operating activities	<u>(225)</u>	<u>1,409</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(262)	(911)
Product development expenditure	(298)	(259)
Proceeds from disposal of plant and equipment	-	-
Net cash used in investing activities	<u>(560)</u>	<u>(1,170)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Additional investment in subsidiary	-	-
Purchase of treasury shares	-	(190)
Net cash used in from financing activities	<u>-</u>	<u>(190)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(785)	49
EFFECT OF EXCHANGE RATE CHANGES	(402)	80
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>17,698</u>	<u>22,115</u>
CASH AND CASH EQUIVALENTS AT QUARTER ENDED	<u>16,511</u>	<u>22,244</u>

The cash and cash equivalents at beginning of year and quarter ended represents cash on hand and at bank.

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2010)