

M3 TECHNOLOGIES (ASIA) BERHAD
(Incorporated in Malaysia - Company No. 482772-D)
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the six (6) months ended 31 December 2011
(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	2011 Quarter Ended 31-Dec-11 RM'000	2010 Quarter Ended 31-Dec-10 RM'000	2011 Year to date 31-Dec-11 RM'000	2010 Year to date 31-Dec-10 RM'000
Revenue	14,186	12,873	27,682	24,419
Operating Expenses	(12,076)	(11,337)	(23,560)	(21,728)
Profit from Operations	<u>2,110</u>	<u>1,536</u>	<u>4,122</u>	<u>2,691</u>
Interest Income / (Expense)	60	72	104	102
Share of results of jointly controlled entity	(8)	-	(10)	-
Profit before taxation	<u>2,162</u>	<u>1,608</u>	<u>4,216</u>	<u>2,793</u>
Income tax expense	(664)	(318)	(1,338)	(616)
Net cash generated from operating activities				
Net profit for the period	<u>1,498</u>	<u>1,290</u>	<u>2,878</u>	<u>2,177</u>
Other comprehensive income, net of tax				
Foreign currency translation differences	(425)	65	281	(337)
Revaluation of land and buildings	-	-	-	-
Other comprehensive income for the period, net of tax	<u>(425)</u>	<u>65</u>	<u>281</u>	<u>(337)</u>
Total comprehensive income for the period	<u>1,073</u>	<u>1,355</u>	<u>3,159</u>	<u>1,840</u>
Attributable to:				
Equity holders of the Company	1,205	1,131	2,353	1,900
Minority interests	293	159	525	277
	<u>1,498</u>	<u>1,290</u>	<u>2,878</u>	<u>2,177</u>
Total comprehensive income attributable to:				
Equity holders of the Company	880	1,182	2,633	1,667
Minority interests	193	173	526	173
	<u>1,073</u>	<u>1,355</u>	<u>3,159</u>	<u>1,840</u>
Earnings per share				
Basic / Diluted (sen)	0.75	0.70	1.46	1.17

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)

M3 TECHNOLOGIES (ASIA) BERHAD

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

NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**For the six (6) months ended 31 December 2011****(THE FIGURES HAVE NOT BEEN AUDITED)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	2011 Quarter Ended 31-Dec-11 RM'000	2010 Quarter Ended 31-Dec-10 RM'000	2011 Year to date 31-Dec-11 RM'000	2010 Year to date 31-Dec-10 RM'000
The following items have been included in arriving at profit before tax:				
Amortisation of product development expenditure	314	277	616	543
Depreciation of plant and equipment	279	268	564	562
Gain/(loss) on foreign exchange translation	(14)	-	101	-
<u>Interest Income / (Expense)</u>				
Interest expenses	(1)	-	(1)	-
Interest income	61	72	105	102
	<u>60</u>	<u>72</u>	<u>104</u>	<u>102</u>
Provision for doubtful debts	-	-	7	-
Share of results of jointly controlled entity	(8)	-	(10)	-

There is no income/expenses in relation to the below items:

- (i) investment income;
- (ii) write off of receivables;
- (iii) provision for and write off of inventories;
- (iv) gain or loss on disposal of quoted or unquoted investments or properties;
- (v) impairment of assets;
- (vi) gain/loss on derivatives; and
- (vii) exceptional items (Otherwise disclosed).

M3 TECHNOLOGIES (ASIA) BERHAD
(Incorporated in Malaysia - Company No. 482772-D)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2011 & 30 June 2011

	(UNAUDITED) As at 31-Dec-11 RM'000	(AUDITED) As at 30-Jun-11 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	4,107	4,096
Intangible assets	1,307	1,190
Interest in jointly controlled entity	836	431
Deferred tax asset	108	108
Goodwill on consolidation	12,982	12,982
	<u>19,340</u>	<u>18,807</u>
Current Assets		
Inventory	6,863	6,951
Trade and other receivables	17,254	15,055
Cash and bank balances	17,523	20,169
	<u>41,640</u>	<u>42,175</u>
TOTAL ASSETS	<u>60,980</u>	<u>60,982</u>
EQUITY AND LIABILITIES		
Net cash generated from operating activities		
Trade and other payables	8,175	9,350
Dividend payable	-	810
Hire purchase creditor	50	62
Income Tax payable	1,330	616
	<u>9,555</u>	<u>10,838</u>
Non Current Liabilities		
Deferred tax liabilities	288	290
TOTAL LIABILITIES	<u>9,843</u>	<u>11,128</u>
Net Assets	<u>51,137</u>	<u>49,854</u>
Equity attributable to owners of the parent		
Share capital	16,352	16,352
Share premium	2,352	2,352
Treasury shares	(566)	(316)
Retained earnings	30,246	29,512
Foreign exchange reserve	(857)	(1,137)
	<u>47,527</u>	<u>46,763</u>
Minority interest	<u>3,610</u>	<u>3,091</u>
Total equity	<u>51,137</u>	<u>49,854</u>
Total equity and liabilities	<u>60,980</u>	<u>60,982</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	29.40	28.88

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)

M3 TECHNOLOGIES (ASIA) BERHAD

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**For the six (6) months ended 31 December 2011 & 31 December 2010**

	< ----- Attributable to Equity Holders of the Parent ----- >						Non-Controlling Interests	Total
	Share Capital	Share Premium	Treasury Shares	Translation Reserve	Retained Profit	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Six (6) months ended 31 December 2011								
Balance at 1 July 2011	16,352	2,352	(316)	(1,137)	29,512	46,763	3,091	49,854
Total comprehensive income for the period	-	-	-	280	2,353	2,633	526	3,159
Transactions with owners								
Purchase of treasury shares	-	-	(250)	-	-	(250)	-	(250)
Dividend paid	-	-	-	-	(1,619)	(1,619)	(7)	(1,626)
Balance at 31 December 2011	16,352	2,352	(566)	(857)	30,246	47,527	3,610	51,137
Six (6) months ended 31 December 2010								
Balance at 1 July 2010	16,352	2,352	(309)	(749)	26,006	43,652	2,683	46,335
Net cash generated from operating activities	-	-	-	(233)	1,900	1,667	173	1,840
Transactions with owners								
Purchase of treasury shares	-	-	(5)	-	-	(5)	-	(5)
Dividend paid	-	-	-	-	-	-	(136)	(136)
Balance at 31 December 2010	16,352	2,352	(314)	(982)	27,906	45,314	2,720	48,034

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)

M3 TECHNOLOGIES (ASIA) BERHAD
(Incorporated in Malaysia - Company No. 482772-D)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the six (6) months ended 31 December 2011 & 31 December 2010

	<u>31-Dec-11</u> RM'000	<u>31-Dec-10</u> RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	4,216	2,793
Adjustment for :		
Amortisation of product development expenditure	616	543
Depreciation of plant and equipment	564	562
Hire purchase interest	1	-
Interest income	(105)	(102)
Provision for doubtful debts	7	-
Share of results of jointly controlled entity	10	-
Net unrealised loss/(gain) on foreign exchange	101	-
Operating profit before working capital changes	<u>5,410</u>	<u>3,796</u>
Changes in working capital :		
(Increase)/Decrease in inventory	88	(1,440)
(Increase)/Decrease in receivables	(2,206)	(150)
Increase/(Decrease) in payables	(1,276)	2,147
Cash used in operating activities	<u>2,016</u>	<u>4,353</u>
Tax paid	(626)	(534)
Interest received	105	102
Net cash generated from operating activities	<u>1,495</u>	<u>3,921</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(575)	(541)
Product development expenditure	(733)	(616)
Repayment of hire purchase creditor	(13)	-
Advance to jointly controlled entity	(415)	-
Net cash used in investing activities	<u>(1,736)</u>	<u>(1,157)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid to shareholders of the Company	(2,429)	-
Dividend paid by subsidiary to non-controlling interests	(7)	(136)
Purchase of treasury shares	(250)	(4)
Net cash used in from financing activities	<u>(2,686)</u>	<u>(140)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,927)	2,624
EFFECT OF EXCHANGE RATE CHANGES	281	(337)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>20,169</u>	<u>17,698</u>
CASH AND CASH EQUIVALENTS AT QUARTER END	<u>17,523</u>	<u>19,985</u>

The cash and cash equivalents at beginning of year and quarter end 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 30 June 2011)