

ETI TECH CORPORATION BERHAD (667845-M)
(Incorporated in Malaysia)
QUARTERLY REPORT FOR THE YEAR ENDED 31 AUGUST 2009

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

| | AS AT 31.08.2009 RM'000 | AS AT 31.08.2008 RM'000 |
|---|--|--|
| Cash flows from operating activities | | |
| Profit before tax | 20,132 | 19,977 |
| Adjustments for: | | |
| Non-cash items | 3,516 | 2,664 |
| Non operating items | 441 | 401 |
| Operating profit before working capital changes | <u>24,089</u> | <u>23,042</u> |
| Changes in working capital: | | |
| Net changes in current assets | (9,346) | (7,585) |
| Net changes in current liabilities | (279) | 720 |
| Net cash generated from operating activities | <u>14,464</u> | <u>16,177</u> |
| Cash flows from investing activities | | |
| Interest received | 1 | 42 |
| Proceeds from disposal of property, plant and equipment | - | 25 |
| Purchase of property, plant and equipment | (3,900) | (4,618) |
| Development expenditure | (6,274) | (9,194) |
| Net cash used in investing activities | <u>(10,173)</u> | <u>(13,745)</u> |
| Cash flows from financing activities | | |
| Increase/(Decrease) in short term bank borrowings (net) | 1,845 | (402) |
| Interest paid | (443) | (443) |
| Repayment of hire purchase | (40) | (40) |
| Repayment of term loans | (233) | (234) |
| Net cash generated from / (used in) financing activities | <u>1,129</u> | <u>(1,119)</u> |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 5,420 | 1,313 |
| CASH AND CASH EQUIVALENTS BROUGHT FORWARD | 5,016 | 3,703 |
| CASH AND CASH EQUIVALENTS CARRIED FORWARD | <u>10,436</u> | <u>5,016</u> |

The unaudited condensed consolidated cashflow statement should be read in conjunction with the accompanying explanatory notes of this interim financial report.