

ETI TECH CORPORATION BERHAD (667845-M)
(Incorporated in Malaysia)
QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MAY 2011

The Board of Directors of ETI TECH Corporation Berhad ("ETICB" or "Company") is pleased to announce the following unaudited consolidated results for the third quarter ended 31 May 2011.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31.05.2011 RM'000	QUARTER ENDED 31.05.2010 RM'000	PERIOD ENDED 31.05.2011 RM'000	PERIOD ENDED 31.05.2010 RM'000
Revenue	15,630	18,596	41,718	58,843
Other operating income	16	2	375	16
Operating expenses	(14,120)	(15,382)	(38,480)	(48,951)
Finance costs	(275)	(165)	(832)	(416)
Profit before taxation	1,251	3,051	2,781	9,492
Taxation	-	-	-	-
Profit for the period	1,251	3,051	2,781	9,492
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	1,251	3,051	2,781	9,492
Profit for the period attributable to :				
Owners of the parent	1,251	3,051	2,781	9,492
Non-controlling interest	-	-	-	-
	1,251	3,051	2,781	9,492
Total comprehensive income attributable to :				
Owners of the parent	1,251	3,051	2,781	9,491
Non-controlling interest	-	-	-	-
	1,251	3,051	2,781	9,491
Earnings per share (sen)				
1) Basic	0.18	0.45	0.41	1.39
2) Diluted	N/A	N/A	N/A	N/A

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 August 2010 and the accompanying explanatory notes of this interim financial report.

ETI TECH CORPORATION BERHAD (667845-M)
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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MAY 2011

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT CURRENT QUARTER 31.05.2011 RM'000	AUDITED (RESTATED) AS AT PRECEDING FINANCIAL YEAR 31.08.2010 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	16,676	14,072
Development expenditure	32,445	30,116
	<u>49,121</u>	<u>44,188</u>
CURRENT ASSETS		
Inventories	33,217	10,266
Trade receivables	34,370	46,009
Other receivables	5,926	9,802
Short-term deposits with a licensed bank	823	823
Cash and cash equivalents	8,324	6,002
	<u>82,660</u>	<u>72,902</u>
TOTAL ASSETS	<u>131,781</u>	<u>117,090</u>
EQUITY		
Share capital	68,077	68,077
Retained profits	35,385	32,604
Equity attributable to owners of the Parent	<u>103,462</u>	<u>100,681</u>
Non controlling interest	-	-
TOTAL EQUITY	<u>103,462</u>	<u>100,681</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	484	484
Borrowings	5,510	3,212
	<u>5,994</u>	<u>3,696</u>
CURRENT LIABILITIES		
Trade payables	1,961	2,723
Other payables	1,665	1,742
Borrowings	18,699	8,248
	<u>22,325</u>	<u>12,713</u>
TOTAL LIABILITIES	<u>28,319</u>	<u>16,409</u>
TOTAL EQUITY AND LIABILITIES	<u>131,781</u>	<u>117,090</u>
Net assets per share (RM)	<u>0.15</u>	<u>0.15</u>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 August 2010 and the accompanying explanatory notes of this interim financial report.

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MAY 2011

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	AS AT 31.05.2011 RM'000	AS AT 31.05.2010 RM'000
Cash flows from operating activities		
Profit before tax	2,781	9,492
Adjustments for:		
Non-cash items	2,738	2,372
Non operating items	847	416
Operating profit before working capital changes	<u>6,366</u>	<u>12,280</u>
Changes in working capital:		
Net changes in current assets	(7,444)	(4,201)
Net changes in current liabilities	(839)	(122)
Net cash (used in)/generated from operating activities	<u>(1,917)</u>	<u>7,957</u>
Cash flows from investing activities		
Interest received	-	1
Purchase of property, plant and equipment	(5,356)	(2,621)
Development expenditure	(2,308)	(6,100)
Net cash used in investing activities	<u>(7,664)</u>	<u>(8,720)</u>
Cash flows from financing activities		
Proceeds from long term borrowings	3,241	
Increase in short term bank borrowings (net)	9,666	1,574
Interest paid	(847)	(416)
Repayment of hire purchase	-	(13)
Repayment of term loans	(157)	(156)
Net cash generated from financing activities	<u>11,903</u>	<u>989</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,322	226
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	6,002	10,436
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u>8,324</u>	<u>10,662</u>

The unaudited condensed consolidated statement of cashflows should be read in conjunction with the audited financial statements for the financial year ended 31 August 2010 and the accompanying explanatory notes of this interim financial report.

ETI TECH CORPORATION BERHAD (667845-M)**(Incorporated in Malaysia)****QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MAY 2011**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<u>SHARE CAPITAL</u> RM'000	<u>RETAINED PROFITS</u> RM'000	<u>TOTAL</u> RM'000
3rd quarter ended 31 May 2011			
Balance at 1.9.2010	68,077	32,604	100,681
Total comprehensive income for the period	-	2,781	2,781
Balance at 31.05.2011	<u>68,077</u>	<u>35,385</u>	<u>103,462</u>
3rd quarter ended 31 May 2010			
Balance at 1.9.2009	22,692	68,336	91,028
Total comprehensive income for the period	-	9,492	9,492
Bonus Issue	45,385	(45,385)	-
Balance at 31.05.2010	<u>68,077</u>	<u>32,443</u>	<u>100,520</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 August 2010 and the accompanying explanatory notes of this interim financial report.

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