

ETI TECH CORPORATION BERHAD (667845-M)
(Incorporated in Malaysia)
QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MAY 2012

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 2012.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER	QUARTER	PERIOD	PERIOD
	ENDED	ENDED	ENDED	ENDED
	31.05.2012	31.05.2011	31.05.2012	31.05.2011
	RM'000	RM'000	RM'000	RM'000
Revenue	14,529	15,630	38,062	41,718
Other operating income	78	19	947	382
Operating expenses	(13,910)	(14,120)	(36,172)	(38,482)
Finance costs	(350)	(278)	(1,094)	(837)
Profit before taxation	347	1,251	1,743	2,781
Taxation	-	-	-	-
Profit for the period	347	1,251	1,743	2,781
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	347	1,251	1,743	2,781
Profit for the period attributable to :				
Owners of the parent	347	1,251	1,743	2,781
Non-controlling interest	-	-	-	-
	347	1,251	1,743	2,781
Total comprehensive income attributable to :				
Owners of the parent	347	1,251	1,743	2,781
Non-controlling interest	-	-	-	-
	347	1,251	1,743	2,781
Earnings per share (sen)				
1) Basic	0.05	0.18	0.25	0.41
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 2011 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 2012

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31.05.2012 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR 31.08.2011 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	14,389	16,120
Development expenditure	32,000	32,647
	<u>46,389</u>	<u>48,767</u>
CURRENT ASSETS		
Inventories	48,209	38,848
Trade receivables	26,207	31,180
Other receivables	5,203	6,004
Short-term deposits with a licensed bank	852	852
Cash and cash equivalents	7,817	6,969
	<u>88,288</u>	<u>83,853</u>
TOTAL ASSETS	<u>134,677</u>	<u>132,620</u>
EQUITY		
Share capital	70,627	68,077
Share premium	1,785	-
Retained profits	38,093	36,350
Equity attributable to owners of the Parent	<u>110,505</u>	<u>104,427</u>
Non controlling interest	-	-
TOTAL EQUITY	<u>110,505</u>	<u>104,427</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	788	788
Hire purchase payables	2,413	2,910
Bank borrowings	2,844	3,011
	<u>6,045</u>	<u>6,709</u>
CURRENT LIABILITIES		
Trade payables	1,977	1,729
Other payables	1,092	1,267
Hire purchase payables	682	613
Bank borrowings	14,376	17,875
	<u>18,127</u>	<u>21,484</u>
TOTAL LIABILITIES	<u>24,172</u>	<u>28,193</u>
TOTAL EQUITY AND LIABILITIES	<u>134,677</u>	<u>132,620</u>
Net assets per share (RM)	<u>0.16</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 2011 and the accompanying explanatory notes of this interim financial report.

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MAY 2012

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	AS AT 31.05.2012 RM'000	AS AT 31.05.2011 RM'000
Cash flows from operating activities		
Profit before tax	1,743	2,781
Adjustments for:		
Non-cash items	3,934	2,738
Non operating items	1,091	847
	<u>6,768</u>	<u>6,366</u>
Operating profit before working capital changes		
Changes in working capital:		
Net changes in current assets	(3,587)	(7,444)
Net changes in current liabilities	73	(839)
	<u>3,254</u>	<u>(1,917)</u>
Net cash generated from / (used in) operating activities		
Cash flows from investing activities		
Interest received	3	-
Purchase of property, plant and equipment	(301)	(5,356)
Development expenditure	(1,256)	(2,308)
	<u>(1,554)</u>	<u>(7,664)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Proceeds from long term borrowings	-	3,241
Proceed from hire purchase creditor	133	-
Proceed from public share issue	4,335	-
(Decrease)/Increase in short term bank borrowings (net)	(3,513)	9,666
Interest paid	(1,094)	(847)
Repayment of hire purchase	(561)	-
Repayment of term loans	(152)	(157)
	<u>(852)</u>	<u>11,903</u>
Net cash (used in) / generated from financing activities		
NET INCREASE IN CASH AND CASH EQUIVALENTS	848	2,322
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	6,969	6,002
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u>7,817</u>	<u>8,324</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 2011 and the accompanying explanatory notes of this interim financial report.

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MAY 2012

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	RETAINED PROFITS RM'000	TOTAL RM'000
3rd quarter ended 31 May 2012				
Balance at 1.9.2011	68,077	-	36,350	104,427
Public share issue	2,550	1,785	-	4,335
Total comprehensive income for the period	-	-	1,743	1,743
Balance at 31.05.2012	<u>70,627</u>	<u>1,785</u>	<u>38,093</u>	<u>110,505</u>
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>-</u>	<u>35,385</u>	<u>103,462</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 2011 and the accompanying explanatory notes of this interim financial report.