

SANICHI TECHNOLOGY BERHADCompany No.661826-K
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE QUARTER ENDED****31 MARCH 2010**

(The figures below are unaudited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year to date	Preceding Year Corresponding Period
	31 March 2010 RM'000	31 March 2009 RM'000	31 March 2010 RM'000	31 March 2009 RM'000
Revenue	4,308	4,774	15,705	14,553
Operating expenses	(3,110)	(2,355)	(11,429)	(13,395)
Other operating income	-	17	-	115
Profit from operations	1,198	2,436	4,276	1,273
Finance costs	(290)	(361)	(948)	(1,126)
Profit before taxation	908	2,075	3,328	147
Tax expenses	(20)	(22)	(28)	(46)
Profit after taxation	888	2,053	3,300	101
Attributable to:				
Ordinary equity holders of the parent	888	2,053	3,300	101
Minority interest	-	-	-	-
	888	2,053	3,300	101
Earnings per share (sen)				
Basic (note B13)	0.6	1.8	2.6	0.1
Diluted (note B13)	0.6	1.8	2.6	0.1

(The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and accompanying explanatory notes attached to the interim financial statements.)

SANICHI TECHNOLOGY BERHAD

Company No.661826-K
(Incorporated In Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2010

	(Unaudited) As at 31 March 2010 RM'000	(Audited) As at 30 June 2009 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	25,423	26,665
Prepaid land lease payments	1,667	1,690
Development expenditure	148	148
Goodwill on consolidation	7	7
	27,245	28,510
Current assets		
Inventories	5,922	4,959
Trade receivables	20,662	14,441
Other receivables, deposits and prepayments	1,319	1,314
Tax recoverables	718	782
Fixed deposits	616	741
Cash and bank balances	178	92
	29,415	22,329
TOTAL ASSETS	56,660	50,839
EQUITY AND LIABILITIES		
EQUITY		
Share capital	16,350	11,350
Share premium	10,586	10,586
Exchange translation reserve	33	59
Retained earnings	784	(2,516)
Equity attributable to equity holders of the parent	27,753	19,479
Non-current liabilities		
Long term borrowings	6,902	7,192
Deferred taxation	-	-
	6,902	7,192
Current liabilities		
Trade payables	2,720	3,868
Other payables and accruals	2,100	3,927
Amount owing to directors	92	1,481
Provision for taxation	-	10
Short term borrowings	15,845	13,116
Bank overdrafts	1,248	1,766
	22,005	24,168
TOTAL LIABILITIES	28,907	31,360
TOTAL EQUITY AND LIABILITIES	56,660	50,839
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.17	0.17

(The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and accompanying explanatory notes attached to the interim financial statements.)

SANICHI TECHNOLOGY BERHADCompany No.661826-K
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED****31 MARCH 2010**

(The figures below are unaudited)

	Current Year to 31 March 2010 RM'000	Preceding Year Corresponding Year to 31 March 2009 RM'000
Cash flows from operating activities		
Profit before tax	3,328	147
Adjustments for:-		
Non-cash items	1,948	4,003
Non-operating items	(263)	1,091
Operating profit before changes in working capital	<u>5,013</u>	<u>5,241</u>
Changes in working capital:-		
Net change in current assets	(5,912)	(3,076)
Net change in current liabilities	<u>(4,365)</u>	<u>1,505</u>
Net cash (for)/from operations	(5,264)	3,670
Interest paid	(948)	(1,126)
Net tax refund/(paid)	<u>24</u>	<u>(463)</u>
Net cash (for)/from operating activities	<u>(6,188)</u>	<u>2,081</u>
Cash flows for investing activities		
Interest received	-	35
Increase in development expenditure	-	-
Proceeds from disposal of equipment	594	-
Purchase of plant and equipment	<u>(1,341)</u>	<u>(3,150)</u>
Net cash for investing activities	<u>(747)</u>	<u>(3,115)</u>
Cash flows from financing activities		
Proceed from issuance of shares	5,000	-
(Repayment)/Net drawdown of other short-term bank borrowings	(396)	3,887
Net drawdown/(Repayment) of term loans	3,828	(1,995)
Repayment of hire purchase liabilities	<u>(992)</u>	<u>(1,461)</u>
Net cash from financing activities	<u>7,440</u>	<u>431</u>
Net increase/(decrease) in cash and cash equivalents	505	(603)
Effects of changes in exchange rates	(26)	(12)
Cash and cash equivalents at beginning of the period	<u>(933)</u>	<u>1,083</u>
Cash and cash equivalents at end of the year	<u>(454)</u>	<u>468</u>
Cash and cash equivalents comprise:		
Fixed deposits with licensed banks**	616	2,234
Cash and bank balances	178	58
Bank overdrafts	<u>(1,248)</u>	<u>(1,824)</u>
	<u>(454)</u>	<u>468</u>

** Fixed deposits with licensed banks have been pledged to licensed banks for banking facilities granted to the Group.

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and accompanying explanatory notes attached to the interim financial statements.)

SANICHI TECHNOLOGY BERHADCompany No.661826-K
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED
31 MARCH 2010**

(The figures below are unaudited)

	← Attributable to Equity Holders of the Parent →				Total Equity RM'000
	Share Capital RM'000	Non-Distributable Share Premium RM'000	Translation reserve RM'000	Distributable Retained Profit RM'000	
At 1 July 2009	11,350	10,586	59	(2,516)	19,479
Profit for the period	-	-	-	3,300	3,300
Exchange translation differences	-	-	(26)	-	(26)
Total recognised income for the period	-	-	(26)	3,300	3,274
Issuance of shares	5,000	-	-	-	5,000
At 31 March 2010	<u>16,350</u>	<u>10,586</u>	<u>33</u>	<u>784</u>	<u>27,753</u>
At 1 July 2008	11,350	10,586	3	8,320	30,259
Loss for the period	-	-	-	101	101
Exchange translation differences	-	-	(12)	-	(12)
Total recognised expenses for the period	-	-	(12)	101	89
At 31 March 2009	<u>11,350</u>	<u>10,586</u>	<u>(9)</u>	<u>8,421</u>	<u>30,348</u>

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and accompanying explanatory notes attached to the interim financial statements.)