

SANICHI TECHNOLOGY BERHADCompany No.661826-K
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE QUARTER ENDED****30 SEPTEMBER 2010**

(The figures below are unaudited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 30 September 2010 RM'000	Preceding Year Corresponding Quarter 30 September 2009 RM'000	Current Year to date 30 September 2010 RM'000	Preceding Year Corresponding Period 30 September 2009 RM'000
Revenue	4,846	6,099	4,846	6,099
Operating expenses	(4,427)	(4,143)	(4,427)	(4,143)
Other operating income	-	16	-	16
Profit from operations	419	1,972	419	1,972
Finance costs	(299)	(329)	(299)	(329)
Profit before taxation	120	1,643	120	1,643
Tax expenses	(67)	(3)	(67)	(3)
Profit after taxation	53	1,640	53	1,640
Attributable to:				
Ordinary equity holders of the parent	53	1,640	53	1,640
Minority interest	-	-	-	-
	53	1,640	53	1,640
Earnings per share (sen)				
Basic (note B13)	0.0	1.4	0.0	1.4
Diluted (note B13)	0.0	1.4	0.0	1.4

(The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010 and accompanying explanatory notes attached to the interim financial statements.)

SANICHI TECHNOLOGY BERHADCompany No.661826-K
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2010**

	(Unaudited) As at 30 September 2010 RM'000	(Audited) As at 30 June 2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	23,422	24,949
Prepaid land lease payments	1,652	1,659
Development expenditure	33	33
Goodwill on consolidation	7	7
	25,114	26,648
Current assets		
Inventories	6,343	6,374
Trade receivables	20,357	19,093
Other receivables, deposits and prepayments	427	417
Tax recoverables	694	761
Fixed deposits	616	501
Cash and bank balances	236	63
	28,673	27,209
TOTAL ASSETS	53,787	53,857
EQUITY AND LIABILITIES		
EQUITY		
Share capital	16,350	16,350
Share premium	10,586	10,586
Exchange translation reserve	(35)	(19)
Retained earnings	(2,260)	(2,313)
Equity attributable to equity holders of the parent	24,641	24,604
Non-current liabilities		
Long term borrowings	6,950	9,218
Deferred taxation	-	-
	6,950	9,218
Current liabilities		
Trade payables	2,372	2,616
Other payables and accruals	2,374	2,021
Amount owing to directors	575	794
Provision for taxation	-	-
Short term borrowings	15,385	13,483
Bank overdrafts	1,490	1,121
	22,196	20,035
TOTAL LIABILITIES	29,146	29,253
TOTAL EQUITY AND LIABILITIES	53,787	53,857
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.15	0.15

(The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010 and accompanying explanatory notes attached to the interim financial statements.)

SANICHI TECHNOLOGY BERHAD

Company No.661826-K
(Incorporated In Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED
30 SEPTEMBER 2010**

(The figures below are unaudited)

	Current Year to 30 September 2010 RM'000	Preceding Year Corresponding Year to 30 September 2009 RM'000
Cash flows from operating activities		
Profit before tax	120	1,643
Adjustments for:-		
Non-cash items	846	647
Non-operating items	519	329
Operating profit before changes in working capital	<u>1,485</u>	<u>2,619</u>
Changes in working capital:-		
Net change in current assets	(1,530)	(2,237)
Net change in current liabilities	<u>(111)</u>	<u>(2,346)</u>
Net cash for operations	(156)	(1,964)
Interest paid	(299)	(329)
Net tax paid	-	(15)
Net cash for operating activities	<u>(455)</u>	<u>(2,308)</u>
Cash flows for investing activities		
Interest received	-	-
Proceeds from disposal of equipment	1,806	-
Purchase of plant and equipment	<u>(1,052)</u>	<u>(115)</u>
Net cash from/(for) investing activities	<u>754</u>	<u>(115)</u>
Cash flows from financing activities		
(Repayment)/Net drawdown of other short-term bank borrowings	(103)	3,136
Repayment of term loans	(320)	(426)
Net drawdown/(Repayment) of hire purchase liabilities	59	(209)
Net cash (for)/from financing activities	<u>(364)</u>	<u>2,501</u>
Net (decrease)/increase in cash and cash equivalents	(65)	78
Effects of changes in exchange rates	(16)	(77)
Cash and cash equivalents at beginning of the period	<u>(557)</u>	<u>(933)</u>
Cash and cash equivalents at end of the period	<u>(638)</u>	<u>(932)</u>
Cash and cash equivalents comprise:		
Fixed deposits with licensed banks**	616	1,356
Cash and bank balances	236	47
Bank overdrafts	<u>(1,490)</u>	<u>(2,335)</u>
	<u>(638)</u>	<u>(932)</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 2010 and accompanying explanatory notes attached to the interim financial statements.)

SANICHI TECHNOLOGY BERHAD

Company No.661826-K
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED
30 SEPTEMBER 2010**

	← 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 2010	16,350	10,586	(19)	(2,313)	24,604
Profit for the year	-	-	-	53	53
Exchange translation differences	-	-	(16)	-	(16)
Total recognised income for the year	-	-	(16)	53	37
At 30 September 2010	<u>16,350</u>	<u>10,586</u>	<u>(35)</u>	<u>(2,260)</u>	<u>24,641</u>
At 1 July 2009	11,350	10,586	59	(2,516)	19,479
Profit for the year	-	-	-	1,640	1,640
Exchange translation differences	-	-	(77)	-	(77)
Total recognised expenses for the year	-	-	(77)	1,640	1,563
At 30 September 2009	<u>11,350</u>	<u>10,586</u>	<u>(18)</u>	<u>(876)</u>	<u>21,042</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 2010 and accompanying explanatory notes attached to the interim financial statements.)