ENG TEKNOLOGI HOLDINGS BHD.

Company No. 234669 M
(Incorporated in Malaysia)

Interim Financial Statements
31 March 2006

ENG TEKNOLOGI HOLDINGS BHD.
(Incorporated in Malaysia)

CONTENTS

ENG TEKNOLOGI HOLDINGS BHD.
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	3 months period ended 31 March 2006 RM'000	3 months period ended 31 March 2005 RM'000 (restated)
Revenue		87,921	75,798
Cost of sales		(66,760)	(57,203)
Gross profit		21,161	18,595
Other income		726	1,120
Administrative expenses		(6,823)	(6,526)
Selling and marketing expenses		(1,577)	(1,444)
Other expenses		(1,477)	(1,709)
Finance income		112	84
Finance costs		(841)	(641)
Net finance costs		(729)	(557)
Profit before tax		11,281	9,479
Income tax expense	20	(1,856)	(1,282)
Profit for the period		9,425	8,197
Attributable to:			
Equity holders of the parent		7,368	6,130
Minority interests		2,057	2,067
		9,425	8,197
Earnings per share attributable to equity holders of the parent:			
Basic, for profit for the period (sen)	28	6.2	5.2
Diluted, for profit for the period (sen)	28	6.1	5.2
The cost of sales, administrative expenses and other expenses were arrived at after:-			
(a) depreciation		(6,872)	(7,441)
(b) amortisation		(1)	(1,112)
The finance costs was arrived at after interest expense of		(392)	(408)

The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

ENG TEKNOLOGI HOLDINGS BHD.
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CONDENSED CONSOLIDATED BALANCE SHEETS

	Note	As At 31 March 2006 RM'000	As At 31 December 2005 (restated) RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment		126,267	113,744
Investment in an associate		34	34
Long-term receivable		2,511	2,459
Other investments		102	101
Intangible assets		28,680	26,586
		157,594	142,924
Current Assets			
Inventories		45,329	41,312
Trade receivables		71,538	77,253
Other receivables		15,102	10,348
Cash and bank balances		35,996	33,093
		167,965	162,006
TOTAL ASSETS		325,559	304,930
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		118,628	118,543
Share premium		656	604
Other reserves		(5,200)	(3,962)
Retained earnings		67,337	59,969
		181,421	175,154
Minority interests		18,663	19,487
Total equity		200,084	194,641
Non-current Liabilities			
Borrowings	24	6,133	4,940
Deferred tax liabilities		6,038	5,669
		12,171	10,609
Current Liabilities			
Borrowings	24	43,831	25,021
Trade payables		28,821	36,975
Other payables		37,860	35,197
Tax payable		2,792	2,487
		113,304	99,680
Total liabilities		125,475	110,289
TOTAL EQUITY AND LIABILITIES		325,559	304,930
Net assets per share (RM)		1.69	1.64

The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Note	← Attributable to Equity Holders of the Parent →					Minority Interests	Total Equity
			← Non-distributable →		Distributable			
	Note	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total		
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2005		83,860	7,873	(4,304)	72,196	159,625	21,822	181,447
Foreign currency translation, representing net expense recognised directly in equity, as previously stated		-	-	405	-	405	(61)	344
Effect of adopting FRS 121		-	-	(185)	-	(185)	-	(185)
Foreign currency translation, representing net expense recognised directly in equity, as restated		-	-	220	-	220	(61)	159
Profit for the period, as previously stated		-	-	-	6,019	6,019	1,993	8,012
Effect of adopting FRS 121		-	-	-	111	111	74	185
Profit for the period, as restated		-	-	-	6,130	6,130	2,067	8,197
Total recognised income and expense for the period		-	-	220	6,130	6,350	2,006	8,356
Issue of ordinary shares pursuant to ESOS		31	38	-	-	69	-	69
Bonus issue		33,556	(7,911)	-	(25,645)	-	-	-
At 31 March 2005 (restated)		117,447	-	(4,084)	52,681	166,044	23,828	189,872

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONT'D)

		Attributable to Equity Holders of the Parent					Minority Interests	Total Equity
			Non-distributable		Distributable			
	Note	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total		
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2006								
As previously stated		118,543	604	(3,731)	59,854	175,270	19,371	194,641
Prior year adjustments – effects of adopting:								
FRS 2		-	-	246	(233)	13	(13)	-
FRS 121		-	-	(477)	348	(129)	129	-
At 1 January 2006 (restated)		118,543	604	(3,962)	59,969	175,154	19,487	194,641
Foreign currency translation, representing net expense recognised directly in equity		-	-	(1,449)	-	(1,449)	(96)	(1,545)
Profit for the period		-	-	-	7,368	7,368	2,057	9,425
Total recognised income and expense for the period		-	-	(1,449)	7,368	5,919	1,961	7,880
Issue of ordinary shares pursuant to ESOS		85	52	-	-	137	-	137
Share-based payment under ESOS	2(a)	-	-	211	-	211	-	211
Purchase of additional shares in a subsidiary		-	-	-	-	-	(2,785)	(2,785)
At 31 March 2006		118,628	656	(5,200)	67,337	181,421	18,663	200,084

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	3 months period ended 31 March 2006 RM'000	2005 RM'000 (restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	11,281	9,479
Adjustments for non-cash items	8,136	9,263
Operating profit before working capital changes	19,417	18,742
Increase in inventories	(5,276)	(2,241)
Decrease/ (increase) in receivables	2,377	(5,100)
Decrease in payables	(11,408)	(1,907)
Increase in long-term receivable	(52)	(80)
Cash generated from operations	5,058	9,414
Tax refunded	-	942
Tax paid	(1,213)	(353)
Interest paid	(392)	(411)
Net cash generated from operating activities	3,453	9,592
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	159	148
Proceeds from disposal of property, plant and equipment	322	60
Acquisition of property, plant and equipment	(12,786)	(2,237)
Purchase of additional shares in a subsidiary	(4,531)	-
Net cash used in investing activities	(16,836)	(2,029)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	4,012	4,175
Net change in bank borrowings	20,798	412
Proceeds from issuance of shares for ESOS exercised	137	69
Repayment of term loans	(2,217)	(6,559)
Repayment of hire-purchase payables	(1,113)	(3,093)
Dividend paid by subsidiaries to minority shareholders	(2,189)	(1,997)
Net cash generated from/ (used in) financing activities	19,428	(6,993)
FOREIGN EXCHANGE TRANSLATION EFFECT	(1,271)	(214)
NET INCREASE IN CASH AND CASH EQUIVALENTS	6,045	570
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY	29,745	29,543
CASH AND CASH EQUIVALENTS AS AT 31 MARCH	34,519	29,899

CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated cash flow statement comprise the following balance sheet amount:

	As At 31 March	
	2006	2005
	RM'000	RM'000
Cash and bank balances	35,996	30,541
Bank overdrafts	(1,477)	(638)
Effect of exchange rate on bank balances	-	(4)
	34,519	29,899

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

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PART A – DISCLOSURE NOTES AS REQUIRED UNDER FRS 134

1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for the revaluation of certain leasehold properties included in property, plant and equipment.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2005. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2005.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2005 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2006:

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

The adoption of FRS 5, 102, 108, 110, 116, 127, 128, 131, 132, 133 and 140 does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the other new/revised FRSs are discussed below:

(a) FRS 2: Share-based Payment

This FRS requires an entity to recognise share-based payment transactions in its financial statements, including transactions with employees or other parties to be settled in cash, other assets, or equity instruments of the entity.

The Company operates an equity-settled, share-based compensation plan for the employees of the Group, the Company's Employee Share Options Scheme ("ESOS"). Prior to 1 January 2006, no compensation expense was recognised in profit or loss for share options granted. With the adoption of FRS 2, the compensation expense relating to share options is recognised in profit or loss over the vesting periods of the grants with a corresponding increase in equity. The total amount to be recognised as compensation expense is determined by reference to the fair value of the share options at the date of the grant and the number of share options to be vested by vesting date. The fair value of the share option is computed using a binomial model. At every balance sheet date, the Group revises its estimates of the number of share options that are expected to vest by the vesting date. Any revision of this estimate is included in profit or loss and a corresponding adjustment to equity over the remaining vesting period.

Under the transitional provisions of FRS 2, this FRS must be applied to share options that were granted after 31 December 2004 and had not yet vested on 1 January 2006. The application is retrospective and accordingly, the comparative amounts as at 31 December 2005 are restated and the opening balance of retained earnings as at 1 January 2006 has been adjusted, as disclosed in Note 3. The financial impact to the Group arising from this change in accounting policy is as follows:

	3 months ended	
	31 March 2006	31 March 2005
	RM'000	RM'000
Decrease in profit for the period	211	-

(b) FRS 3:Business Combinations, FRS 136:Impairment of Assets and FRS 138:Intangible Assets

The adoption of FRS 3 has resulted in consequential amendments to two other accounting standards, FRS 136 and FRS 138.

The adoption of these new FRSs have resulted in the Group ceasing annual goodwill amortisation. Goodwill is carried at cost less accumulated impairment losses and is now tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Any impairment loss is recognised in profit or loss and subsequent reversal is not allowed. Prior to 1 January 2006, goodwill was amortised on a straight-line basis over its estimated useful life of 10 years. This change in accounting policy has been accounted for prospectively for business combinations where the agreement date is on or after 1 January 2006. The transitional provisions of FRS 3, however, have required the Group to eliminate at 1 January 2006 the carrying amount of the accumulated amortisation with a corresponding decrease in goodwill. The carrying amount of goodwill after eliminating accumulated amortisation and accumulated impairment losses as at 1 January 2006 of RM26,554,663 ceased to be amortised. This has the effect of reducing the amortisation charges by RM1,167,183 in the current quarter ended 31 March 2006.

Under FRS 3, any excess of the Group's interest in the net fair value of acquirees' identifiable assets, liabilities and contingent liabilities over cost of acquisitions (previously referred to as "negative goodwill"), after reassessment, is now recognised immediately in profit or loss. Prior to 1 January 2006, negative goodwill was amortised over the average useful life of 10 years.

(c) FRS 101: Presentation of Financial Statements

The adoption of the revised FRS 101 has affected the presentation of minority interest, share of net after tax results of associates and other disclosures. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with the comparatives restated to conform with the current period's presentation.

(d) FRS 121: The Effects of Changes in Foreign Exchange Rates

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

In the financial year ended 31 December 2005, a foreign subsidiary changed its functional currency from Singapore Dollar ("SGD") to United States Dollar ("USD"). This change in accounting policy has been accounted for retrospectively up to 1 January 2005, as disclosed in Note 3.

3. Comparatives

The following comparative amounts have been restated due to the adoption of new and revised FRSs:

		Adjustments		
	Previously stated RM'000	FRS 2 (Note 2(a)) RM'000	FRS 121 (Note 2(d)) RM'000	Restated RM'000
At 31 December 2005				
Retained earnings	59,854	(233)	348	59,969
Other reserves	(3,731)	246	(477)	(3,962)
Minority interests	19,371	(13)	129	19,487
3 months ended 31 March 2005				
Other income	936	-	184	1,120
Profit before tax	9,295	-	184	9,479
Income tax expense	(1,283)	-	1	(1,282)
Profit for the period	8,012	-	185	8,197

4. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2005 was not qualified.

5. Segmental Information

Analysis by nature of business and geographical location:

3 months period ended 31 March 2006	Manufacturing		Trading	Others				
	Malaysia RM'000	Other Asia Pacific Countries RM'000	Other Asia Pacific Countries RM'000	Malaysia RM'000	Other Asia Pacific Countries RM'000	Amalgamated RM'000	Elimination/ Adjustment RM'000	Consolidated RM'000
Revenue								
External sales	13,843	56,273	17,752	-	-	87,868	-	87,868
Inter-segment sales	38,990	-	-	168	242	39,400	(39,400)	-
	52,833	56,273	17,752	168	242	127,268	(39,400)	87,868
Unallocated revenue								53
Total revenue								87,921
Results								
Segment results	5,909	5,129	1,267	101	80	12,486	-	12,486
Unallocated expenses								(476)
Net finance costs								(729)
Income tax expense								(1,856)
Profit for the period								9,425

5. Segmental Information (cont'd)

3 months period ended 31 March 2005 (restated)	Manufacturing Malaysia RM'000	Manufacturing Other Asia Pacific Countries RM'000	Trading Other Asia Pacific Countries RM'000	Others Malaysia RM'000	Others Other Asia Pacific Countries RM'000	Amalgamated RM'000	Elimination/ Adjustment RM'000	Consolidated RM'000
Revenue								
External sales	13,978	43,583	18,177	-	-	75,738	-	75,738
Inter-segment sales	26,447	-	-	167	-	26,614	(26,614)	-
	40,425	43,583	18,177	167	-	102,352	(26,614)	75,738
Unallocated revenue								60
Total revenue								75,798
Results								
Segment results	3,713	7,620	96	102	-	11,531	-	11,531
Unallocated expenses								(1,495)
Net finance costs								(557)
Income tax expense								(1,282)
Profit for the period								8,197

The directors are of the opinion that all inter-segment transfers have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. Those transfers are eliminated on consolidation.

6. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2006 except as disclosed in Note 2.

7. Changes in Estimates

The revised FRS 116: Property, Plant and Equipment requires the review of the residual value and remaining useful life of an item of property, plant and equipment at least at each financial year end. The Group has reviewed the residual value of certain property, plant and equipment and found that there were no changes in estimates that would give rise to material effect in the current quarter results.

8. Comments about Seasonal or Cyclical Factors

The Group is subject to cyclical effects of the global technology industry.

9. Dividends Paid

There was no dividend paid during the financial period ended 31 March 2006.

10. Carrying Amount of Revalued Assets

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2005.

11. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except for the following:

(a) Employee Share Options Scheme ("ESOS")

During the financial period ended 31 March 2006, the Company issued 84,600 fully paid-up ordinary shares of RM1 each for cash pursuant to the Company's ESOS.

ESOS	Option 1	Option 2	Option 3	Option 4	Option 5	Total
Grant Date	23/10/2001	18/10/2002	23/05/2003	24/02/2004	15/08/2005	
Expiry Date	22/10/2011	22/10/2011	22/10/2011	22/10/2011	22/10/2011	
	('000)	('000)	('000)	('000)	('000)	('000)
As at 1/1/2006	1,843	223	850	595	4,890	8,401
Granted	-	-	-	-	-	-
Exercised	20	15	21	-	29	85
Foregone	-	-	-	-	-	-
As at 31/03/2006	1,823	208	829	595	4,861	8,316
Option price per Ordinary Share (RM)	1.62	1.40	1.48	2.90	1.84	

12. Changes in Composition of the Group

On 20 March 2006, Eng Teknologi Holdings Bhd. further acquired 5% of equity interest in a subsidiary, Altum Precision Pte. Ltd. ("Altum"), for purchase consideration of USD1,221,913 pursuant to the Call Option granted by Ultro Technologies Limited to the Company in accordance to the Put and Call Option Agreement dated 31 October 2005. With this, the Company increased its equity interest in Altum from 70% to 75%.

13. Commitments

The amount of commitments not provided for in the interim financial statements as at 31 March 2006 is as follows:

	As At 31 March 2006 RM'000
Approved and contracted for:	
Operating lease-buildings and equipment	21,457
Property, plant and equipment	31,792
Professional fee	596

14. Changes in Contingent Liabilities and Contingent Assets

The total contingent liabilities as at 31 March 2006 for the Company are corporate guarantees for credit facilities granted to subsidiaries of RM52.6 million (31 December 2005: RM25.5 million).

15. Subsequent Events

There were no material events subsequent to the end of the current quarter.

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PART B – DISCLOSURE NOTES AS REQUIRED UNDER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

16. Performance Review

The Group's revenue for the quarter was RM87.9 million. Compared to the corresponding quarter last year's revenue of RM75.8 million, this was a 16% growth. The Group's profit before tax for the reporting quarter was RM11.3 million compared to RM9.5 million in the same period last year.

Compared to the corresponding quarter, the Group achieved commendable results with growth generated from mainly the data storage sector. The global demand for hard disk drive continued to expand going into 2006. The Group managed to maintain its product margin whilst experiencing sharp aluminium costs increases from 2005 by better productivity and cost reductions.

17. Material Change in Profit Before Tax Against Preceding Quarter

The Group's revenue for the reporting quarter decreased 5% compared to the quarter four of 2005. The profit before tax was reduced by 27% versus the last reporting quarter last year. The main reason for the reduction was the increase in raw material prices of aluminium, some reduction in volume of sales of which was seasonal and weaker than expected sales from China operation.

18. Prospects

The Group expects to achieve another year of revenue growth with expanded product and customer bases in both its data storage and industrial products sectors. Preparatory efforts are now in process for this expansion and hence capacity would be increased significantly by second half of the year. This is however subject to the adversity of raw material price increases and weakening of the United States dollar.

19. Profit Forecast or Profit Guarantee

Not applicable

20. Income Tax Expense

	3 months period ended 31 March	
	2006 RM'000	2005 RM'000 (restated)
Current tax:		
Malaysian income tax	354	510
Foreign tax	1,047	448
	1,401	959
Deferred tax	455	324
Total income tax expense	1,856	1,282

The effective tax rate for the current quarter was lower than the statutory tax rate principally due to certain income not subject to tax and incentives enjoyed by the local subsidiaries under the Income Tax Act, 1967 and by foreign subsidiaries under their respective tax legislations.

21. Sales of Unquoted Investments and Properties

There were no sales of unquoted investments and properties during the financial period ended 31 March 2006.

22. Quoted Securities

There were no purchase or sales of quoted securities during the financial period ended 31 March 2006 and no investment in quoted securities as at 31 March 2006.

23. Corporate Proposals

There were no corporate proposals announced but not completed.

24. Borrowings

Details of the Group's borrowings as at 31 March 2006 are as follows:

	As At 31 March 2006 RM'000	As At 31 December 2005 RM'000
Short-term		
Secured	5,584	6,308
Unsecured	38,247	18,713
	43,831	25,021
Long-term		
Secured	3,628	4,940
Unsecured	2,505	-
	6,133	4,940
	49,964	29,961

Borrowings denominated in foreign currency:

	As At 31 March 2006		As At 31 December 2005	
	Foreign currency '000	RM'000 equivalent	Foreign currency '000	RM'000 equivalent
Short-term				
Secured	USD 1,050	3,867	USD 1,050	3,966
Secured	SGD 170	387	SGD 48	109
Secured	THB 222	21	THB 219	20
Unsecured	USD 1,000	3,655	-	-
Unsecured	HKD 1,461	693	HKD 3,955	1,926
Unsecured	SGD 210	477	SGD 176	400
Long-term				
Secured	USD 875	3,222	USD 1,138	4,297
Secured	-	-	SGD 8	19
Secured	THB 611	58	THB 668	62

25. Off Balance Sheet Financial Instruments

	Notional amount as at 4 May 2006 RM'000
Forward foreign exchange contracts:	
Within 1 year	77,355

Credit risk, or the risk of counterparties defaulting, is controlled by strictly limiting the Group's association to creditworthy financial institutions in Malaysia.

Market risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. Exposure to market risk may be reduced through offsetting on and off balance sheet positions.

There are no significant credit and market risks posed by the above off balance sheet financial instruments. The related accounting policies for the off balance sheet financial instruments are as disclosed in the financial statements for the year ended 31 December 2005.

26. Changes in Material Litigation

There was no pending material litigation at the close of the report.

27. Dividend

The directors do not recommend any interim dividend for the financial period ended 31 March 2005.

28. Earnings Per Share

(a) Basic

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	3 months period ended 31 March	
	2006	2005 (restated)
Profit attributable to ordinary equity holders of the parent (RM '000)	7,368	6,130
Weighted average number of ordinary shares in issue ('000)	118,593	117,437
Basic earnings per share (sen)	6.2	5.2

(b) Diluted

For the purpose of calculating diluted earnings per share, the profit for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of share options granted to employees.

	3 months period ended 31 March 2006	2005 (restated)
Profit attributable to ordinary equity holders of the parent (RM ’000)	7,368	6,130
Weighted average number of ordinary shares in issue (’000)	118,593	117,437
Effects of dilution:		
Share options	2,186	1,454
Adjusted weighted average number of ordinary shares in issue and issuable (’000)	120,779	118,891
Diluted earnings per share (sen)	6.1	5.2

29. Authorisation for Issue

On 11 May 2006, the Board of Directors authorised the issue of these interim financial statements.

By Order of the Board
Eng Teknologi Holdings Bhd (234669 M)

THUM SOOK FUN (MAICSA 7025619)
Secretary
11 May 2006