

ENG TEKNOLOGI HOLDINGS BHD.

Company No. 234669 M
(Incorporated in Malaysia)

Interim Financial Statements
30 June 2008

ENG TEKNOLOGI HOLDINGS BHD.
(Incorporated in Malaysia)

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ENG TEKNOLOGI HOLDINGS BHD.
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CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	3 months period ended		6 months period ended	
		30 June		30 June	
		2008	2007	2008	2007
		RM'000	RM'000	RM'000	RM'000
Revenue		128,284	101,603	287,431	209,154
Cost of sales		(103,897)	(98,938)	(230,663)	(202,048)
Gross profit		24,387	2,665	56,768	7,106
Other income		1,858	1,472	3,692	2,708
Administrative expenses		(7,096)	(5,910)	(14,184)	(12,542)
Selling and marketing expenses		(3,146)	(5,088)	(6,997)	(8,263)
Other expenses		(1,234)	(561)	(7,041)	2,457
Operating profit/(loss)		14,769	(7,422)	32,238	(8,534)
Finance costs		(2,534)	(2,457)	(2,213)	(3,403)
Share of loss of associate		(1)	(1)	(2)	(5)
Profit/(Loss) before tax		12,234	(9,880)	30,023	(11,942)
Income tax expense	20	(3,533)	2,387	(7,508)	5,492
Profit/(Loss) for the period		8,701	(7,493)	22,515	(6,450)
Attributable to:					
Equity holders of the Company		7,870	(6,196)	19,021	(5,744)
Minority interests		831	(1,297)	3,494	(706)
		8,701	(7,493)	22,515	(6,450)

Earnings/(Loss) per share attributable to equity holders of the Company:

Basic, for profit/(loss) for the period (sen)	28	6.6	(5.2)	16.0	(4.8)
Diluted, for profit/(loss) for the period (sen)	28	6.6	(5.2)	15.9	(4.8)

The cost of sales, administrative expenses and other expenses were arrived at after:-

(a) depreciation	(10,797)	(9,723)	(20,841)	(19,454)
(b) amortisation	(25)	(24)	(50)	(49)

Included in the other expenses was:

(a) net foreign exchange (loss)/gain	(37)	(196)	(5,307)	3,581
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Included in the finance costs were:

(a) interest expense	(1,271)	(1,716)	(2,748)	(3,773)
(b) net foreign exchange (loss)/gain arising from financing activities	(1,007)	215	967	1,459

The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 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 30 June 2008 RM'000	As At 31 December 2007 (restated) RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment		163,373	146,380
Prepaid land lease payments		4,532	4,580
Intangible assets		28,126	28,151
Interest in an associate		2,560	2,809
Other investments		63	67
Retirement benefits plan assets		208	175
Deferred tax assets		7,099	10,915
		<u>205,961</u>	<u>193,077</u>
Current Assets			
Inventories		63,172	51,261
Trade receivables		109,873	129,682
Other receivables		15,676	13,052
Tax recoverables		6,627	7,217
Cash and bank balances		37,145	45,270
		<u>232,493</u>	<u>246,482</u>
TOTAL ASSETS		<u>438,454</u>	<u>439,559</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		119,187	119,097
Share premium		1,003	963
Other reserves		(9,561)	(3,080)
Retained earnings		84,340	76,043
		<u>194,969</u>	<u>193,023</u>
Minority interests		<u>23,046</u>	<u>20,307</u>
Total equity		<u>218,015</u>	<u>213,330</u>
Non-current Liabilities			
Retirement benefits obligations		189	162
Borrowings	24	24,115	30,662
Deferred tax liabilities		503	228
		<u>24,807</u>	<u>31,052</u>
Current Liabilities			
Retirement benefits obligations		113	135
Borrowings	24	80,367	84,064
Trade payables		52,400	65,517
Other payables		59,672	43,891
Current tax payable		3,080	1,570
		<u>195,632</u>	<u>195,177</u>
Total liabilities		<u>220,439</u>	<u>226,229</u>
TOTAL EQUITY AND LIABILITIES		<u>438,454</u>	<u>439,559</u>
Net assets per share (RM)		1.83	1.79
Net assets per share attributable to ordinary equity holders of the Company (RM)		1.64	1.62

The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	← Attributable to Equity Holders of the Company →				Minority Interests	Total Equity			
	Share Capital RM'000	← Non-distributable →		Distributable Retained Earnings RM'000			Total RM'000	RM'000	RM'000
		Share Premium RM'000	Other Reserves RM'000						
At 1 January 2008									
As previously stated	119,097	963	(3,080)	69,071	186,051	18,134	204,185		
Prior year adjustment - effect of adopting revised FRS 112	-	-	-	6,972	6,972	2,173	9,145		
At 1 January 2008 (restated)	119,097	963	(3,080)	76,043	193,023	20,307	213,330		
Foreign currency translation, representing net expense recognised directly in equity	-	-	(6,821)	-	(6,821)	(767)	(7,588)		
Profit for the period	-	-	-	19,021	19,021	3,494	22,515		
Total recognised income and expense for the period	-	-	(6,821)	19,021	12,200	2,727	14,927		
Issue of ordinary shares pursuant to ESOS	90	15	-	-	105	-	105		
Forfeiture of vested ESOS	-	-	(4)	3	(1)	1	-		
Share options granted under ESOS	-	-	369	-	369	11	380		
Transfer to Share Premium, arising from exercise of ESOS	-	25	(25)	-	-	-	-		
Final tax exempt dividend	-	-	-	(10,727)	(10,727)	-	(10,727)		
At 30 June 2008	119,187	1,003	(9,561)	84,340	194,969	23,046	218,015		

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	← Attributable to Equity Holders of the Company →				Minority Interests RM'000	Total Equity RM'000
	Share Capital RM'000	← Non distributable →		Distributable Retained Earnings RM'000		
		Share Premium RM'000	Other Reserves RM'000			
At 1 January 2007						
As previously stated	119,097	963	(5,907)	61,376	17,002	192,531
Prior year adjustment – effect of adopting revised FRS 112	-	-	-	6,994	2,329	9,323
At 1 January 2007 (restated)	119,097	963	(5,907)	68,370	19,331	201,854
Foreign currency translation, representing net expense recognised directly in equity	-	-	779	-	(98)	681
Loss for the period	-	-	-	(5,744)	(706)	(6,450)
Total recognised income and expense for the period	-	-	779	(5,744)	(804)	(5,769)
Forfeiture of vested ESOS	-	-	(18)	15	3	-
Share options granted under ESOS	-	-	175	-	(3)	172
Final tax exempt dividend	-	-	-	(7,146)	-	(7,146)
At 30 June 2007	119,097	963	(4,971)	55,495	18,527	189,111

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	6 months period ended 30 June	
	2008	2007
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	30,023	(11,942)
Adjustments for non-cash items	27,927	25,208
Operating profit before working capital changes	57,950	13,266
(Increase)/decrease in inventories	(12,760)	2,372
Decrease in receivables	21,128	3,440
Decrease in payables	(20,813)	(11,598)
Decrease/(increase) in long term receivable	244	(89)
Cash generated from operations	45,749	7,391
Tax paid	(1,325)	(3,635)
Tax refunded	18	-
Interest paid	(2,768)	(1,543)
Net cash generated from operating activities	41,674	2,213
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(22,137)	(17,952)
Dividend received	1	-
Interest received	281	452
Proceeds from disposal of property, plant and equipment	767	190
Registration of trademark	-	(2)
Net cash used in investing activities	(21,088)	(17,312)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid by the Company	(10,727)	(7,146)
Dividend paid by subsidiary to minority shareholder	(889)	-
Drawdown of hire-purchase payables	1,652	-
Drawdown of term loans	7,019	16,125
Net change in bank borrowings	(2,401)	(1,639)
Proceeds from issuance of shares for ESOS exercised	105	-
Repayment of lease and hire-purchase payables	(624)	(455)
Repayment of term loans	(11,331)	(5,308)
Net cash (used in)/generated from financing activities	(17,196)	1,577
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		
	3,390	(13,522)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES		
	(6,963)	2,542
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY		
	39,197	42,184
CASH AND CASH EQUIVALENTS AS AT 30 JUNE		
	35,624	31,204

CASH AND CASH EQUIVALENTS

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

	As At 30 June	
	2008 RM'000	2007 RM'000
Cash and bank balances	37,145	35,585
Bank overdrafts	<u>(1,521)</u>	<u>(4,381)</u>
	<u>35,624</u>	<u>31,204</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 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 a property 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 2007. 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 2007.

Bank of Thailand had issued notices regarding the Rules and Practices on Currency Exchange in December 2006. Consequently, this has resulted in the Thai Baht being traded using different rates in on-shore and off-shore foreign exchange market. For subsidiaries in Thailand, transactions in foreign currencies are recorded and remeasured in the financial statements using Thai Baht on-shore rate. On consolidation, the Group translates the financial statements of subsidiaries in Thailand into Ringgit Malaysia using the published rates in Malaysia. However, Bank of Thailand had lifted this capital control measure effective 3 March 2008.

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 2007 except for the adoption of the following new and revised Financial Reporting Standards (“FRS”), amendment to FRS and Interpretations effective for financial period beginning on or after 1 July 2007:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members’ Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS129 ₂₀₀₄ Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

The above new and revised FRS, amendment to FRS and Interpretations do not have significant financial impact on the financial statements of the Group, except for FRS 112. The principal effects of the changes in accounting policies resulting from the adoption of FRS 112 are discussed below:

2. Changes in Accounting Policies (cont'd)

(a) FRS 112: Income Taxes

Prior to 1 January 2008, the Group does not recognise deferred tax assets on unused reinvestment allowances as required by paragraph 36 of FRS 112₂₀₀₄ Income Taxes. Under the revised FRS 112 Income Taxes, the Group had recognised deferred tax asset on such unused reinvestment allowances to the extent that it is probable that future taxable profit will be available against which the unused reinvestment allowances can be utilised. The application is retrospective and accordingly, certain comparatives have been restated as disclosed in Note 3. The financial impact to the Group arising from this change in accounting policy is as follows:

	3 months ended		6 months ended	
	30 June 2008 RM'000	30 June 2007 RM'000	30 June 2008 RM'000	30 June 2007 RM'000
Decrease in profit for the period	911	-	2,203	-

At the date of authorisation of these financial statements, FRS 139: Financial Instruments : Recognition and Measurement was in issue but not yet effective. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139.

3. Comparatives

The following comparative amounts have been restated due to the adoption of revised FRS:

	Previously stated RM'000	Increase/(Decrease)	Restated RM'000
		FRS 112 (Note 2(a)) RM'000	
At 31 December 2007:			
Deferred tax assets	2,499	8,416	10,915
Retained earnings	69,071	6,972	76,043
Minority interests	18,134	2,173	20,307
Deferred tax liabilities	957	(729)	228

4. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2007 was not qualified.

5. Segmental Information

Analysis by business segments:

6 months period ended 30 June 2008	Manufacturing RM'000	Trading RM'000	Others RM'000	Amalgamated RM'000	Elimination/ Adjustment RM'000	Consolidated RM'000
Revenue						
External sales	236,017	51,360	-	287,377	-	287,377
Inter-segment sales	46,970	-	867	47,837	(47,837)	-
	282,987	51,360	867	335,214	(47,837)	287,377
Unallocated revenue						54
Total revenue						<u>287,431</u>
Results						
Segment results	30,849	(443)	168	30,574	-	30,574
Unallocated expenses						1,664
Finance costs						(2,213)
Share of loss of associate						(2)
Profit before tax						<u>30,023</u>
Income tax expense						(7,508)
Profit for the period						<u>22,515</u>

5. Segmental Information (Cont'd)

6 months period ended 30 June 2007	Manufacturing RM'000	Trading RM'000	Others RM'000	Amalgamated RM'000	Elimination/ Adjustment RM'000	Consolidated RM'000
Revenue						
External sales	146,147	62,813	-	208,960	-	208,960
Inter-segment sales	60,855	-	838	61,693	(61,693)	-
	207,002	62,813	838	270,653	(61,693)	208,960
Unallocated revenue						194
Total revenue						209,154
Results						
Segment results	(11,763)	2,386	182	(9,195)	-	(9,195)
Unallocated expenses						661
Finance costs						(3,403)
Share of loss of associate						(5)
Loss before tax						(11,942)
Income tax expense						5,492
Loss for the period						(6,450)

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These 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 30 June 2008 except as disclosed in Note 2.

7. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter results.

8. Comments about Seasonal or Cyclical Factors

The Group is subjected to the cyclical effects of the global technology industry and the fluctuations of the metal prices used as raw materials.

9. Dividend Paid

The amount of dividend paid during the financial period ended 30 June 2008 was as follows:

	RM'000
In respect of the financial year ended 31 December 2007 as reported in the directors' report of that year:	
Final tax exempt dividend of 9%, paid on 26 June 2008	10,727

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 2007.

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 30 June 2008, the Company issued 90,000 fully paid-up ordinary shares of RM1 each for cash pursuant to the Company's ESOS.

<u>ESOS</u>	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>	<u>Option 4</u>	<u>Option 5</u>	<u>Option 6</u>	<u>Total</u>
Grant Date	23/10/2001	18/10/2002	23/05/2003	24/02/2004	15/08/2005	18/02/2008	
Expiry Date	22/10/2011	22/10/2011	22/10/2011	22/10/2011	22/10/2011	22/10/2011	
	('000)	('000)	('000)	('000)	('000)	('000)	('000)
As at 1/1/2008	1,660	176	599	578	4,425	-	7,438
Granted	-	-	-	-	-	2,420	2,420
Exercised	-	-	10	-	-	80	90
Foregone	-	-	2	-	-	-	2
As at 30/6/2008	1,660	176	587	578	4,425	2,340	9,766
Option price per Ordinary Share (RM)	1.62	1.40	1.48	2.90	1.84	1.13	

12. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter.

13. Commitments

The amount of commitments not provided for in the interim financial statements as at 30 June 2008 is as follows:

	As At 30 June 2008 RM'000
Approved and contracted for:	
Property, plant and equipment	5,807
Future minimum rental payments for non-cancellable operating lease agreements	13,541

14. Changes in Contingent Liabilities and Contingent Assets

The total contingent liabilities as at 30 June 2008 for the Company are corporate guarantees for credit facilities granted to subsidiaries of RM103.6 million (31 December 2007: RM99.5 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 revenue for the reporting quarter was RM128.3 million whilst the profit before tax was RM12.2 million. Compared to the corresponding quarter last year, the revenue grew 26%. For the corresponding quarter last year the Group had a loss before tax of RM9.9 million.

For six months to date, the Group revenue achieved a high of RM287.4 million compared to RM209.2 last year which was a 37% increase. The cumulative profit before tax for six months was RM30 million. For the same period last year, the Group had a loss before tax of RM11.9 million.

The Group recorded the significant change in results as it achieved a better utilization rate compared to last year.

17. Material Change in Profit Before Tax Against Preceding Quarter

Profit before tax for the quarter at RM12.2 million was lower by 31% compared to the immediate preceding quarter due to the reduction in Group revenue. The Group revenue reduced from RM159.1 million in the preceding quarter to RM128.3 million, a drop of 19%. This is due to seasonal factors in the hard disk drive industry.

18. Prospects

The Group expects the second half of 2008 to be better in terms of customer demand. This is supported by steady global demand growth in the hard disk drive industry.

19. Profit Forecast or Profit Guarantee

Not applicable.

20. Income Tax Expense

	3 months period ended		6 months period ended	
	30 June		30 June	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	1,244	112	2,483	257
Foreign income tax	700	257	899	715
	<u>1,944</u>	<u>369</u>	<u>3,382</u>	<u>972</u>
Underprovision of Malaysian income tax in prior year	38	-	38	-
	<u>1,982</u>	<u>369</u>	<u>3,420</u>	<u>972</u>
Deferred tax	1,467	(2,756)	3,730	(5,425)
Under/(Over)provision of deferred tax in prior year	84	-	358	(1,039)
	<u>1,551</u>	<u>(2,756)</u>	<u>4,088</u>	<u>(6,464)</u>
Total income tax expense	<u>3,533</u>	<u>(2,387)</u>	<u>7,508</u>	<u>(5,492)</u>

The effective tax rate 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.

Domestic income tax is calculated at the Malaysian statutory tax rate of 26% (2007: 27%) of the estimated assessable profit for the year. The domestic statutory tax rate will be reduced to 25% in subsequent years of assessment. The computation of deferred tax as at 30 June 2008 has reflected these changes.

21. Sales of Unquoted Investments and Properties

There were no sales of unquoted investments and properties during the financial period ended 30 June 2008.

22. Quoted Securities

There were no purchase or sales of quoted securities during the financial period ended 30 June 2008 and no investment in quoted securities as at 30 June 2008.

23. Corporate Proposals

There have been no further developments to corporate proposals other than that already announced to Bursa Malaysia.

24. Borrowings

Details of the Group's borrowings as at 30 June 2008 are as follows:

	As At 30 June 2008 RM'000	As At 31 December 2007 RM'000
Short term		
Secured	25,705	22,997
Unsecured	54,662	61,067
	<u>80,367</u>	<u>84,064</u>
Long term		
Secured	24,115	29,713
Unsecured	-	949
	<u>24,115</u>	<u>30,662</u>
	<u>104,482</u>	<u>114,726</u>

Borrowings denominated in foreign currency:

	As At 30 June 2008		As At 31 December 2007	
	Foreign currency '000	RM'000 equivalent	Foreign currency '000	RM'000 equivalent
Short term				
Secured	USD 5,969	19,467	USD 5,116	16,933
Secured	THB 465	45	THB 452	50
Unsecured	USD 5,621	18,334	USD 2,338	7,739
Unsecured	HKD 5,236	2,189	HKD 16,184	6,865
Unsecured	THB 30,079	2,913	-	-
Long term				
Secured	USD 6,744	21,997	USD 8,170	27,042
Secured	THB 139	14	THB 375	41

25. Off Balance Sheet Financial Instruments

	Notional amount as at 7 August 2008 RM'000
Forward foreign exchange contracts:	
Within 1 year	124,187

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 2007.

26. Changes in Material Litigation

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

27. Dividend

- (a) An interim tax exempt dividend of 3% (3 sen per share) in respect of the financial year ending 31 December 2008 (2007: Nil) has been declared on 14 August 2008 and to be paid on 23 October 2008 to depositors registered in the Records of Depositors at the close of business on 30 September 2008.
- (b) The total dividend per share to date for the current financial year is 3 sen tax exempt.

28. Earnings Per Share

(a) Basic

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

	3 months period ended 30 June		6 months period ended 30 June	
	2008	2007	2008	2007
Profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	7,870	(6,196)	19,021	(5,744)
Weighted average number of ordinary shares in issue ('000)	119,131	119,097	119,131	119,097
Basic earnings/(loss) per share (sen)	6.6	(5.2)	16.0	(4.8)

(b) Diluted

For the purpose of calculating diluted earnings/(loss) per share, the profit/(loss) for the period attributable to ordinary equity holders of the Company 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 30 June		6 months period ended 30 June	
	2008	2007	2008	2007
Profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	7,870	(6,196)	19,021	(5,744)
Weighted average number of ordinary shares in issue ('000)	119,131	119,097	119,131	119,097
Effects of dilution:				
Share options	410	534	410	534
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	119,541	119,631	119,541	119,631
Diluted earnings/(loss) per share (sen)	6.6	(5.2)	15.9	(4.8)

29. Authorisation for Issue

On 14 August 2008, 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
 14 August 2008