

**SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE PERIOD ENDED 31 DECEMBER 2010**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTERS		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER		CURRENT YEAR	PRECEDING YEAR	
			(%)			(%)
	31.12.2010	31.12.2009		31.12.2010	31.12.2009	
	RM'000	RM'000		RM'000	RM'000	
1 Revenue	17,101	18,299	(7)	53,479	56,052	(5)
2 (Loss)/profit before tax	(523)	1,782	>100	(4,970)	579	>(100)
3 (Loss)/profit for the period	(648)	1,717	>100	(5,138)	244	>(100)
4 (Loss)/profit attributable to owners of the Company	(345)	1,703	>(100)	(4,263)	105	>(100)
5 Basic (loss)/earnings per RM0.50 share (sen)	(0.37)	1.81		(4.53)	0.11	
6 Proposed/Declared Dividend per RM0.50 share (sen)	0.00	0.00		0.00	0.00	
	AS AT END OF CURRENT QUARTER			AS AT PRECEDING FINANCIAL YEAR END		
7 Net assets per share attributable to ordinary equity holders of the parent (RM)	0.51			0.55		

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER			CUMULATIVE QUARTERS		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER		CURRENT YEAR	PRECEDING YEAR	
	31.12.2010	31.12.2009		31.12.2010	31.12.2009	
	RM'000	RM'000		RM'000	RM'000	
1 Gross interest income	83	74		316	361	
2 Gross interest expense	83	60		281	287	

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2010**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR QUARTER 31.12.2010 RM	PRECEDING YEAR QUARTER 31.12.2009 RM	CURRENT YEAR 31.12.2010 RM	PRECEDING YEAR 31.12.2009 RM
Revenue	17,100,663	18,298,687	53,478,896	56,052,372
Cost of Sales	<u>(12,098,852)</u>	<u>(10,673,395)</u>	<u>(37,849,769)</u>	<u>(34,191,449)</u>
Gross Profit	5,001,811	7,625,292	15,629,127	21,860,923
Other Income	474,939	495,993	1,449,951	1,599,592
Operating Expenses	<u>(5,919,172)</u>	<u>(5,956,728)</u>	<u>(21,908,808)</u>	<u>(22,441,245)</u>
Finance Costs	<u>(82,197)</u>	<u>(60,020)</u>	<u>(280,599)</u>	<u>(287,132)</u>
Investing Results	<u>1,192</u>	<u>(322,736)</u>	<u>140,605</u>	<u>(153,588)</u>
(Loss)/Profit Before Tax	<u>(523,427)</u>	<u>1,781,802</u>	<u>(4,969,724)</u>	<u>578,550</u>
Income Tax	<u>(124,514)</u>	<u>(64,759)</u>	<u>(166,760)</u>	<u>(334,477)</u>
(Loss)/Profit for the Period	<u>(647,941)</u>	<u>1,717,043</u>	<u>(5,138,484)</u>	<u>244,073</u>
Other comprehensive income, net of tax:				
Revaluation of land and buildings	-	-	1,910,340	-
Foreign currency translation differences for foreign operations	7,904	(5,737)	(9,312)	(72,525)
Income tax relating to components of other comprehensive income	-	-	<u>(525,085)</u>	-
	<u>7,904</u>	<u>(5,737)</u>	<u>1,375,943</u>	<u>(72,525)</u>
Total comprehensive income for the period	<u>(640,037)</u>	<u>1,711,305</u>	<u>(3,762,541)</u>	<u>171,548</u>
Loss Attributable to :				
Controlling Shareholders of the Company	<u>(344,864)</u>	<u>1,703,154</u>	<u>(4,263,312)</u>	<u>105,071</u>
Non-Controlling Interest	<u>(303,077)</u>	<u>13,889</u>	<u>(875,172)</u>	<u>139,002</u>
(Loss)/Profit for the Period	<u>(647,941)</u>	<u>1,717,043</u>	<u>(5,138,484)</u>	<u>244,073</u>
Total Comprehensive Income Attributable to :				
Controlling Shareholders of the Company	<u>(337,947)</u>	<u>1,697,416</u>	<u>(3,266,927)</u>	<u>32,546</u>
Non-Controlling Interest	<u>(302,090)</u>	<u>13,889</u>	<u>(495,614)</u>	<u>139,002</u>
	<u>(640,036)</u>	<u>1,711,305</u>	<u>(3,762,541)</u>	<u>171,548</u>
Loss per share of RM0.50 each				
- Basic (sen)	(0.37)	1.81	(4.53)	0.11

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009)

INDUSTRONICS BERHAD (23699-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010

	AS AT END OF CURRENT FINANCIAL YEAR END 31.12.2010 RM (Unaudited)	AS AT PRECEDING FINANCIAL YEAR END 31.12.2009 RM (Restated)
ASSETS		
Non-current assets		
Property, Plant and Equipment	16,768,259	15,396,773
Investment Properties	892,466	816,131
Other Investments	205,001	188,001
Total Non-current assets	<u>17,865,726</u>	<u>16,400,905</u>
Current Assets		
Inventories	8,576,112	9,632,466
Due from Customers on Contract	5,856,537	1,323,849
Held for trading Investments	17,882	347,558
Trade & Other Receivables	19,954,805	26,823,857
Cash and Bank Balances	22,304,338	21,321,691
Total Current Assets	<u>56,709,674</u>	<u>59,449,421</u>
TOTAL ASSETS	<u>74,575,400</u>	<u>75,850,326</u>
EQUITY AND LIABILITIES		
Equity attributable to controlling shareholders of the Company		
Share Capital	47,631,500	47,631,500
Treasury Shares, at cost	(545,154)	(545,154)
Reserves	1,207,223	4,461,491
Shareholders' funds	<u>48,293,569</u>	<u>51,547,837</u>
Non-Controlling Interest	4,476,277	5,179,167
Total equity	<u>52,769,846</u>	<u>56,727,004</u>
Non-current liabilities		
Borrowings	367,557	342,498
Deferred Tax Liabilities	972,018	446,933
Total Non-current liabilities	<u>1,339,575</u>	<u>789,431</u>
Current Liabilities		
Provisions	99,507	79,327
Trade & Other Payables	14,930,695	14,245,905
Borrowings	4,366,453	1,886,228
Current Tax Payables	549,456	611,257
Due to Customers on Contract	519,869	1,511,174
Total Current Liabilities	<u>20,465,980</u>	<u>18,333,891</u>
TOTAL EQUITY AND LIABILITIES	<u>74,575,400</u>	<u>75,850,326</u>

Net Assets per share of RM0.50 each (RM)

0.51

0.55

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009)

INDUSTRONICS BERHAD (23699-X)
(Incorporated in Malaysia)

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2010**

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital RM	Share premium RM	Treasury shares RM	Reserves			Share- holders Fund RM	Non-Controlling Interest RM	Total Equity RM	
				Non Distributable		Distributable				
				Share option reserve RM	Foreign currency reserve RM	Revaluation reserves RM	Retained earnings/ (accumulated losses) RM			
At 31 December 2009	47,631,500	732	(545,154)	37,979	(42,493)	1,892,893	2,572,380	51,547,837	5,179,167	56,727,004
Total comprehensive income for the period	-	-	-	-	156	996,229	(4,263,312)	(3,266,927)	(495,614)	(3,762,541)
Distribution of net assets to minority shareholders of a subsidiary upon members' voluntary winding	-	0	-	0	-	-	-	-	(207,278)	(207,278)
Changes in fair valuation of share options granted	-	0	-	12,659	-	-	-	12,659	0	12,659
At 31 December 2010	47,631,500	732	(545,154)	50,638	(42,337)	2,889,122	(1,690,933)	48,293,569	4,476,277	52,769,846
At 31 December 2008	47,631,500	732	(545,154)	25,319	101,464	1,892,893	2,395,877	51,502,631	7,315,350	58,817,981
Total comprehensive income for the period	-	-	-	-	(72,525)	-	105,071	32,546	139,002	171,548
Realisation due to dissolution of a subsidiary	-	-	-	-	(71,432)	-	71,432	-	-	-
Dividends paid to minority shareholders of a subsidiary company	-	0	-	0	-	-	-	-	(2,365,125)	(2,365,125)
Changes in fair valuation of share options granted	-	-	-	12,660	-	-	-	12,660	-	12,660
Issuance of ordinary shares by a subsidiary, subscribed by minority shareholders of the subsidiaries	-	0	-	-	-	-	-	-	89,940	89,940
At 31 December 2009	47,631,500	732	(545,154)	37,979	(42,493)	1,892,893	2,572,380	51,547,837	5,179,167	56,727,004

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2010**

	Current Year 12 Months Ended 31.12.2010 (Unaudited)	Preceding Year 12 Months Ended 31.12.2009 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(4,969,724)	578,550
Adjustments for non-cash flow:-		
Non-cash items	1,274,039	1,531,612
Non-operating items	<u>(159,206)</u>	<u>(77,771)</u>
Operating (loss)/profit before changes in working capital	(3,854,891)	2,032,391
Net change in current assets	1,440,710	1,180,287
Net change in current liabilities	<u>1,210,302</u>	<u>(2,553,158)</u>
Cash (used in)/generated from operations	(1,203,879)	659,520
Interest paid	(280,599)	(129,759)
Taxes refunded	1,927,248	258,585
Taxes paid	<u>(313,711)</u>	<u>(248,033)</u>
Net cash generated from operating activities	<u>129,059</u>	<u>540,313</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(658,086)	(222,001)
Proceeds from disposal of property, plant and equipment	45,085	20,180
Net cash inflows from dissolution of a subsidiary	-	-
Proceeds from disposal of transferable membership in golf club	-	23,500
Proceeds from disposal of assets held for trading investments	335,341	-
Interest received	316,200	361,118
Dividend income	1,354	6,441
Net cash generated from investing activities	<u>39,895</u>	<u>189,238</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to minority shareholders of a subsidiary	-	(2,365,125)
Distribution of net assets to minority shareholders of a subsidiary upon members' voluntary winding up	(207,278)	-
Proceeds from issuance of ordinary shares by a subsidiary, subscribed by minority shareholders of the subsidiary	-	89,940
Net repayment of bank borrowings	(406,978)	(221,102)
Drawdown of hire purchase	349,600	-
Net (increase)/decrease in pledged fixed deposits	<u>(171,946)</u>	<u>6,729,156</u>
Net cash (used in)/generated from financing activities	<u>(436,602)</u>	<u>4,232,869</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(267,648)	4,962,420
Effect of exchange rate changes	(9,312)	(72,913)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	20,448,643	15,559,136
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>20,171,683</u>	<u>20,448,643</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Deposits, bank balances and cash	22,304,338	21,321,691
Less : Fixed deposit not readily available for use	<u>(171,946)</u>	<u>-</u>
	<u>22,132,392</u>	<u>21,321,691</u>
Bank overdraft	<u>(1,960,709)</u>	<u>(873,048)</u>
	<u>20,171,683</u>	<u>20,448,643</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009)

INDUSTRONICS BERHAD (23889-X)
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT

A1. 1. Basis of preparation

The Interim financial report is unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2009. These explanatory notes attached to the interim financial report provides an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2009.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2009 annual financial statements, except the adoption of new and revised FRSs, Amendments to FRSs and Interpretations as described in Note A2 below.

A2. Changes in Accounting Policies

In the current period ended 31 December 2010, the Group adopted the following new and revised FRSs, Amendments to FRSs and Interpretations:

Effective for financial periods beginning on or after 1 July 2009

FRS 8: Operating Segments

Effective for financial periods beginning on or after 1 January 2010

FRS 7: Financial Instruments: Disclosures

FRS 101: Presentation of Financial Statements (revised)

FRS 123: Borrowing Costs

FRS 139: Financial Instruments: Recognition and Measurement

Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment, Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 2: Share-based Payment - Vesting Conditions and Cancellation

Amendments to FRS 132: Financial Instruments: Presentation

Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and IC Interpretation 9: Reassessment of Embedded Derivatives

Amendments to FRSs "Improvements to FRSs (2009)"

IC Interpretation 9: Reassessment of Embedded Derivatives

IC Interpretation 10: Interim Financial Reporting and Impairment

IC Interpretation 11: FRS 2 - Group and Treasury Share Transactions

IC Interpretation 13: Customer Loyalty Programmes

IC Interpretation 14: FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

A2. Changes in Accounting Policies (Contd.)

Unless otherwise described below, these pronouncements have no significant impact to the interim financial report of the Group upon their initial application:

(a) FRS 8: Operating Segment

FRS 8 replaces FRS 114²⁰⁰⁴: Segment Reporting and requires a 'management approach', under which segment information is presented on a similar basis to that used for internal reporting purposes. As a result, the Group's external segmental reporting will be based on the internal reporting to the "chief operating decision maker", who makes decisions on the allocation of resources and assesses the performance of the reportable segments. As this is a disclosure standard, there will be no impact on the financial position or results of the Group.

(b) FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. This revised FRS does not have any impact on the financial position and results of the Group.

(c) FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures

The new Standard on FRS 139: Financial Instruments: Recognition and Measurement establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Requirements for presenting information about financial instruments are in FRS 132: Financial Instruments: Presentation and the requirements for disclosing information about financial instruments are in FRS 7: Financial Instruments: Disclosures.

FRS 7: Financial Instruments: Disclosures is a new Standard that requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Group's exposure to risks, enhanced disclosure regarding components of the Group's financial position and performance, and possible changes to the way of presenting certain items in the financial statements.

In accordance with the respective transitional provisions, the Group is exempted from disclosing the possible impact to the financial statements upon the initial application.

There were no significant changes to the interim financial report other than the designation of the investment in quoted shares previously classified as non-current other investment to current assets held for trading investments.

This standard did not have any significant impact on the financial results of Group.

As disclosed in Note A15, certain comparatives have been reclassified to conform with the current period's presentation.

A2. Changes in Accounting Policies (Contd.)

(d) Amendments to FRSs 'Improvements to FRSs (2009)' – FRS 117: Leases

Prior to the adoption of the Amendment to FRS 117, leasehold lands were treated as operating leases. The considerations paid were classified and presented as prepaid land lease payments in the statement of financial position. With the adoption of the Amendment to FRS 117, the classification of a leasehold land as finance lease or an operating lease is based on the extent to which risks and rewards incident to ownership lie.

Accordingly, the Group has applied the change in accounting policy in respect of leasehold land in accordance with the transitional provisions of FRS 117. At 1 January 2009, the unamortised amount of leasehold land is retained as the surrogate carrying amount of property, plant and equipment as allowed by the transitional provisions. This change in classification has no impact on the financial results of the Group.

As disclosed in Note A15, certain comparatives have been restated due to the change in accounting policy.

A3 Auditors' report on preceding annual financial statements

The Group's financial statements for the year ended 31 December 2009 is not qualified.

A4. Seasonal or Cyclical Factors

The business operations of the Group is generally non seasonal. The nature of the group's business is primarily project based and hence subjected to systemic market risk.

A5. Extraordinary Items

Not applicable under the new and revised FRSs

A6. Changes in estimates

There is no significant change in estimates of amounts reported in prior interim periods of the current or in previous financial year.

A7. Debt and Equity Securities

Save as disclosed below, there were no other issuance and repayment of debt and equity securities for the current financial period.

a. Issuance of equity

There is no new shares issued in the current quarter under review.

b. Share buy-backs, share cancellations and sale of treasury shares

No shares were bought back during the quarter under review.

The total number of shares held as treasury shares as at 31 December 2010 was 1,131,000 at an average price per share of RM0.482. None of the treasury shares were sold or cancelled during the current quarter.

A8. Dividend paid

There were no dividends paid during the current period.

A9. Segmental Reporting

For management purposes, the group is organised into business units based on their products and services, and has four reportable operating segments as follows:

Telecommunication

- Supply and service of telecommunication equipment, audio visual multimedia systems, intelligent transportation system and major system integration projects involving Information Communication Technology.

Security systems, mechanical and electrical engineering ("M&E")

- Supply and installation of security systems. Specialist in fire protection system design and installation works and mechanical engineering services. Industrial maintenance and service works. Trading of transport equipment and provision of related services. Manufacturing of filter inclusive of import and marketing.

Electronics products

- Design, manufacturing and installation of electronics and microprocessor controlled products. Renting of electronic board. Trading, maintenance and supply of industrial electronic equipment.

Fabrication and manufacturing

- Involving in precision sheet metal fabrications works and manufacturing of precision fabrication.

Others

- Revenues from operating segments that individually below the quantitative thresholds.

A9. Segmental Reporting (Contd.)

(a) Information about reportable segments

Individual quarter ended	Telecommunication		Security systems & M&E		Electronics products		Fabrication and manufacturing		Others		Total	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009	31.12.2010	31.12.2009	31.12.2010	31.12.2009	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Revenue from external customers	4,824,934	5,986,286	4,115,397	4,325,914	4,181,840	5,195,536	1,571,676	1,510,573	2,406,816	1,280,378	17,100,663	18,298,687
Inter-segment revenue	0	2,100	355	49,126	384,427	447,813	1,480,848	1,396,305	1,459,815	636,795	3,325,445	2,532,139
Segment profit/(loss) before tax	954,019	1,366,624	(788,140)	(29,060)	(984,924)	(43,241)	42,211	(108,806)	217,695	(183,315)	(559,139)	1,002,202
Cumulative quarters ended	Telecommunication		Security systems & M&E		Electronics products		Fabrication and manufacturing		Others		Total	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009	31.12.2010	31.12.2009	31.12.2010	31.12.2009	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Revenue from external customers	18,492,048	14,849,820	9,189,350	14,877,127	14,848,203	17,577,850	6,101,084	5,709,532	4,848,211	3,038,043	53,478,896	56,052,372
Inter-segment revenue	0	156,434	57,534	195,553	2,406,062	1,782,010	4,963,213	4,252,395	3,180,940	3,417,490	10,607,749	9,803,882
Segment profit/(loss) before tax	904,374	1,447,069	(2,162,403)	327,987	(3,274,025)	970,664	(88,720)	(65,748)	(109,167)	(40,987)	(4,729,941)	2,638,975

A9. Segmental Reporting (Contd.)

(a) Information about reportable segments (Contd.)

	Telecommunication	Security systems & M&E	Electronics products	Fabrication and manufacturing	Others	Total
	RM	RM	RM	RM	RM	RM
As at 31.12.2010						
Segment assets	14,727,342	16,814,270	37,731,260	7,537,828	2,025,520	78,836,220

(b) Reconciliation of reportable segment profit/(loss)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR QUARTER 31.12.2010	PRECEDING YEAR QUARTER 31.12.2009	CURRENT YEAR 31.12.2010	PRECEDING YEAR 31.12.2009
Total segment profit/(loss) before tax for reportable segments	(776,834)	1,185,517	(4,620,774)	2,679,972
Other non-reportable segments	217,695	(183,315)	(109,167)	(40,997)
Components not monitored	(3,737)	274,534	257,996	272,482
Elimination of inter-segment profits	39,448	505,066	(497,779)	(2,332,907)
(Loss)/profit before tax	(523,427)	1,781,802	(4,969,724)	578,550

A10. Valuation of property, plant and equipment

In line with the Group's accounting policy on Property, Plant and Equipment, a revaluation exercise was carried out on 8 June 2010 by an independent professional valuer, Mr P.B.Nehru, a registered valuer of City Valuers & Consultants Sdn. Bhd. using the direct comparison method to reflect its fair value.

Arising from this exercise, revaluation surplus of RM1.910 million was credited to other comprehensive income of the Group and deferred tax liabilities of RM0.525 million has been recognised in other comprehensive income. A net surplus of RM0.996 million was credited to revaluation reserve after apportionment to non-controlling interest. The revaluation exercise also resulted in reversal of impairment loss on investment properties of RM0.067 mil (net of non-controlling interest) being credited to profit or loss of the Group. This contributed an increase in the net assets per share of the Group by 1.13 sen.

A11. Subsequent Events

On 21 December 2009, a customer of a subsidiary attempted to call upon a Performance Bond in relation to a subcontract agreement. The value of performance bond amounted to USD 227,823 (equivalent to RM 706,251) as at 31 December 2010.

The said subsidiary had filed for an interim injunction against the said customer and were successful in the said filing since then.

However on 22nd February 2011, the High Court has uplifted the said interim injunction.

Accordingly the Group has provided the Performance Bond amount in financial statement for the current period to 31st December 2010.

Other than as disclosed above, no other material events subsequent to the end of the period reported on that have not been reflected in the financial statement for the said period.

A12. Effect of Changes in the Composition of the Group

There were no material changes in the composition of the Group during the current financial period to date including business combination, acquisition of subsidiaries and long term investment, restructuring and discontinuing operations.

A13. Contingent Liabilities

There were no material changes in contingent liabilities since the last audited balance sheet date.

A14. Related Party Transactions

a. There is no significant transactions and balances with related parties of the Group during the current quarter.

b. Save as disclosed below, there were no transactions with the directors and key management personnel other than the remuneration package paid to them in accordance with the terms and conditions of their appointment:

	Individual Current Quarter RM	Cumulative Quarters Current RM
i. Advance from a shareholder of a subsidiary to the subsidiary	-	100,000
ii. Purchase of motor vehicle from a Director	-	195,000
	<u> </u>	<u> </u>

A15. Comparatives

The following comparatives have been restated as a result of the adoption of FRS 139 and Amendment to FRS 117:

	As previously stated RM	FRS 139 Note A2(c) RM	Amendment to FRS 117 Note A2(d) RM	Restated RM
Statement of Financial Position				
Non-current assets				
Property, Plant and Equipment	13,932,795	-	1,463,978	15,396,773
Prepaid Land Lease Payments	1,463,978	-	(1,463,978)	-
Other Investments	535,559	(347,558)	-	188,001
Current Assets				
Held for Trading Investments	-	347,558	-	347,558

ADDITIONAL INFORMATION REQUIRED BY THE BMSB LISTING REQUIREMENTS

B1. Review of Performance

Group revenue of RM53.479 million for the current financial period ended 31 December 2010 was 5% lower compared to RM56.052 million for the previous year corresponding period. Loss before tax of RM5.170 million was recorded compared to profit before tax of RM0.579 million in the previous corresponding period mainly due to low gross profit margin reported on few key projects and lower revenue for the period.

B2. Material Changes in the Quarterly Results compared to the Results of the Preceding Quarter

The Group revenue increased by 4% from RM16.382 million posted in the preceding quarter to RM17.101 million in the current quarter. Pre-tax loss of RM0.723 million for the current quarter recorded compared to RM1.266 million in the preceding financial quarter mainly due to higher gross profit margin reported in the current quarter.

B3. Current Year Prospects

The Group expects the business environment to improve gradually in line with the recovery of local and global economy. The Group is looking at expanding to related products and services to enhance the revenue.

B4. Profit Forecast

Not applicable as no profit forecast was published.

B5. Taxation

Taxation comprises the following:-

	Individual Current Quarter RM	Cumulative Quarters Current RM
Current taxation	124,514	168,760
Deferred taxation	-	-
	<u>124,514</u>	<u>168,760</u>

The effective tax rate of the Group is higher than the statutory tax rate for the current quarter/period to date principally due to the losses in the Company and certain subsidiaries.

B6. Profit on Sale of Unquoted Investments and/or Properties

There were no sales or purchases of unquoted investments and properties during the current quarter.

B7. Purchase/Disposal of Assets Held for Trading Investments

(a) Purchases or disposals of assets held for trading investments during the current financial period.

	Individual Current Quarter RM	Cumulative Quarters Current RM
Total Purchases	-	-
Total Sale Proceeds	-	335,341
Total Gains on Disposals	-	3,795

(b) Assets held for trading investments as at 31 December 2010:-

	RM
At cost	54,318
At market value	17,882

B8. Status of Corporate Proposals

As at the date of this report, there were no corporate proposals announced.

B9. Group Borrowings and Debt Securities

Total Group Borrowings as at 31 December 2010:-

	RM
a) Secured and unsecured :	
Total secured borrowings	627,300
Total unsecured borrowings	4,106,709
Total borrowings	<u>4,734,010</u>
b) Short Term and Long Term	
Total short-term borrowings	4,366,453
Total long term borrowings	367,557
Total borrowings	<u>4,734,010</u>

B10. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at 22 February 2011, the latest practicable date which shall not be earlier than 7 days from the date of issue of the quarterly report.

B11. Realised and Unrealised Profits/(Losses) Disclosure

	As at 31.12.2010 RM	As at 30.9.2010 RM
Total accumulated losses of Industronics Berhad and its subsidiaries:		
- Realised	(993,618)	(555,664)
- Unrealised	(736,929)	(765,779)
	<u>(1,730,547)</u>	<u>(1,321,443)</u>
Less: consolidation adjustments	(39,614)	24,622
Total group accumulated losses as per consolidated accounts	<u>(1,690,933)</u>	<u>(1,346,065)</u>

Comparative figures are not required in the first financial year of complying with the Disclosure of Realised and Unrealised Profits/(Losses).

B12. Material Litigations

There are no material litigations as at 22 February 2011, the latest practicable date which shall not be earlier than 7 days from the date of issue of the quarterly report.

B13. Dividend

No dividend has been proposed in the current quarter.

B14. Basic (loss)/earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR QUARTER 31.12.2010	PRECEDING YEAR QUARTER 31.12.2009	CURRENT YEAR 31.12.2010	PRECEDING YEAR 31.12.2009
Basic (loss)/earnings per share				
Net (loss)/profit for the period	(344,864)	1,703,154	(4,263,312)	105,071
Weighted average no. of ordinary shares in issue	94,132,000	94,132,000	94,132,000	94,132,000
Basic (loss)/earnings per share (sen)	(0.37)	1.81	(4.53)	0.11

B15. Authorisation For Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 22 February 2011.

BY ORDER OF THE BOARD
INDUSTRONICS BERHAD

22 February 2011