

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2011**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR QUARTER 30.09.2011 RM	PRECEDING YEAR QUARTER 30.9.2010 RM	CURRENT YEAR 30.09.2011 RM	PRECEDING YEAR 30.9.2010 RM
Revenue	11,303,717	16,381,765	32,862,980	36,378,233
Cost of Sales	<u>(6,203,794)</u>	<u>(12,332,296)</u>	<u>(18,807,392)</u>	<u>(25,750,917)</u>
Gross Profit	5,099,923	4,049,469	14,055,588	10,627,316
Other Income	105,813	194,984	323,512	1,114,425
Operating Expenses	(4,929,337)	(5,420,260)	(14,497,688)	(15,989,636)
Finance Costs	<u>(52,601)</u>	<u>(89,819)</u>	<u>(173,202)</u>	<u>(198,402)</u>
Profit/(Loss) Before Tax	223,798	(1,265,626)	(291,790)	(4,446,297)
Income Tax	<u>(175,817)</u>	<u>52,357</u>	<u>(482,806)</u>	<u>(44,246)</u>
Profit/(Loss) for the Period	<u>47,981</u>	<u>(1,213,269)</u>	<u>(774,596)</u>	<u>(4,490,543)</u>
Other comprehensive income/(loss), net of tax:				
Revaluation of land and buildings	-	-	-	1,910,340
Foreign currency translation differences for foreign operations	5,702	1,404	9,132	(17,216)
Income tax relating to components of other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>(525,085)</u>
	<u>5,702</u>	<u>1,404</u>	<u>9,132</u>	<u>1,368,039</u>
Total comprehensive income/(loss) for the period	<u>53,683</u>	<u>(1,211,865)</u>	<u>(765,464)</u>	<u>(3,122,504)</u>
Profit/(Loss) Attributable to :				
Owners of the Company	86,304	(1,018,288)	(694,086)	(3,918,445)
Non-Controlling Interest	<u>(38,323)</u>	<u>(194,981)</u>	<u>(80,510)</u>	<u>(572,098)</u>
Profit/(Loss) for the Period	<u>47,981</u>	<u>(1,213,269)</u>	<u>(774,596)</u>	<u>(4,490,543)</u>
Total Comprehensive Income/(Loss) Attributable to :				
Owners of the Company	90,056	(1,016,747)	(691,176)	(2,928,980)
Non-Controlling Interest	<u>(36,373)</u>	<u>(195,118)</u>	<u>(74,288)</u>	<u>(193,524)</u>
	<u>53,683</u>	<u>(1,211,865)</u>	<u>(765,464)</u>	<u>(3,122,504)</u>
Earnings/(Loss) per share of RM0.50 each				
- Basic (sen)	0.09	(1.08)	(0.74)	(4.16)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2011**

	AS AT END OF CURRENT FINANCIAL YEAR END 30.09.2011 RM (Unaudited)	AS AT PRECEDING FINANCIAL YEAR END 31.12.2010 RM (Audited)
ASSETS		
Non-current assets		
Property, Plant and Equipment	16,241,838	16,770,161
Investment Properties	862,643	892,466
Other Investments	205,001	205,001
Total Non-current assets	<u>17,309,482</u>	<u>17,867,628</u>
Current Assets		
Inventories	10,163,136	8,581,883
Due from Customers on Contract	7,020,556	6,973,619
Held for trading investments	-	17,883
Trade & Other Receivables	17,964,583	18,777,116
Cash and Bank Balances	17,376,990	22,301,413
Total Current Assets	<u>52,525,265</u>	<u>56,651,914</u>
TOTAL ASSETS	<u>69,834,747</u>	<u>74,519,542</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share Capital	47,631,500	47,631,500
Treasury Shares, at cost	(545,154)	(545,154)
Reserves	637,309	1,318,991
Shareholders' funds	<u>47,723,655</u>	<u>48,405,337</u>
Non-Controlling Interest	3,910,242	4,492,054
Total equity	<u>51,633,897</u>	<u>52,897,391</u>
Non-current liabilities		
Borrowings	324,700	367,818
Deferred Tax Liabilities	972,018	972,018
Total Non-current liabilities	<u>1,296,718</u>	<u>1,339,836</u>
Current Liabilities		
Provisions	99,507	99,507
Trade & Other Payables	13,245,441	14,646,961
Borrowings	2,078,853	4,478,257
Current Tax Payables	938,167	537,721
Due to Customers on Contract	542,163	519,869
Total Current Liabilities	<u>16,904,132</u>	<u>20,282,315</u>
TOTAL EQUITY AND LIABILITIES	<u>69,834,747</u>	<u>74,519,542</u>

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

0.51

0.51

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2011**

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Reserves									Total Equity
	Non Distributable						Distributable Retained earnings/ (accumulated losses)	Share- holders Fund	Non-Controlling Interest	
	Share capital	Share premium	Treasury shares	Share option reserve	Foreign currency reserve	Revaluation reserves				
RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	
At 31 December 2010	47,631,500	732	(545,154)	50,638	(1,925)	2,889,122	(1,619,575)	48,405,337	4,492,054	52,897,391
Total comprehensive gain/(loss) for the period	-	-	-	-	2,910	-	(694,086)	(691,176)	(74,288)	(765,464)
Arising from disposal of a subsidiary									(507,524)	(507,524)
Changes in fair valuation of share options granted	-	-	-	9,494	-	-	-	9,494	-	9,494
At 30 September 2011	47,631,500	732	(545,154)	60,132	985	2,889,122	(2,313,661)	47,723,655	3,910,242	51,633,897
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 loss for the period	-	-	-	-	(6,764)	996,229	(3,918,445)	(2,928,980)	(193,524)	(3,122,504)
Changes in fair valuation of share options granted	-	-	-	9,495	-	-	-	9,495	-	9,495
At 30 September 2010	47,631,500	732	(545,154)	47,474	(49,257)	2,889,122	(1,346,065)	48,628,352	4,985,643	53,613,995

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)

INDUSTRONICS BERHAD (23699-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2011**

	Current Year 9 Months Ended 30.09.2011 (Unaudited)	Preceding Year 9 Months Ended 30.9.2010 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(291,790)	(4,446,297)
Adjustments for non-cash flow:-		
Non-cash items	743,235	882,187
Non-operating items	<u>(66,558)</u>	<u>(173,688)</u>
Operating profit/(loss) before changes in working capital	384,887	(3,737,798)
Net change in current assets	(2,134,844)	5,015,380
Net change in current liabilities	<u>(2,691,290)</u>	<u>(305,638)</u>
Cash (used in)/generated from operations	(4,441,247)	971,943
Interest paid	(173,200)	(198,403)
Taxes refunded	100,500	1,200,861
Taxes paid	<u>(231,984)</u>	<u>(284,885)</u>
Net cash (used in)/generated from operating activities	<u>(4,745,931)</u>	<u>1,689,516</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(253,030)	(618,126)
Proceeds from disposal of property, plant and equipment	56,000	45,085
Net cash inflow from disposal of a subsidiary	64,581	-
Proceeds from disposal of assets held for trading investments	21,250	335,341
Interest received	220,097	232,678
Dividend income	-	1,462
Net cash generated from/(used in) investing activities	<u>108,898</u>	<u>(3,559)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of bank borrowings	(204,245)	(314,154)
Drawdown of hire purchase	100,000	349,600
Net decrease/(increase) in pledged fixed deposits	171,946	(167,139)
Net cash generated from/(used in) financing activities	<u>67,701</u>	<u>(131,693)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(4,569,332)	1,554,264
Effect of exchange rate changes	9,132	(17,216)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	20,056,658	20,448,643
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>15,496,458</u>	<u>21,985,691</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Deposits, bank balances and cash	17,376,990	23,808,170
Less : Fixed deposit not readily available for use	<u>-</u>	<u>(167,139)</u>
Bank overdraft	<u>(1,880,532)</u>	<u>(1,655,340)</u>
	<u>15,496,458</u>	<u>21,985,691</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)

INDUSTRONICS BERHAD (23699-X)
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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 2010. 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 2010.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2010 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 2011, the Group adopted the following new and revised FRSs, Amendments to FRSs and Interpretations:

Effective for financial periods beginning on or after 1 March 2010

Amendments to FRS 132: Classification of Rights Issues

Effective for financial periods beginning on or after 1 July 2010

FRS 1: First-time Adoption of Financial Reporting Standards

FRS 3: Business Combinations (revised)

Amendments to FRS 2: Share-based payment

Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations

Amendments to FRS 127: Consolidated and Separate Financial Statements

Amendments to FRS138: Intangible Assets

Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives

IC Interpretation 12: Service Concession Arrangements

IC Interpretation 16: Hedges of a Net investment in a Foreign Operation

IC Interpretation 17: Distributions of Non-cash Assets to Owners

A2. Changes in Accounting Policies (Contd.)

Effective for financial periods beginning on or after 1 January 2011

Amendments to FRS 1: Limited Exemption from Comparative FRS 7
Disclosures for First-time Adopters
Amendments to FRS 1: Additional Exemption for First-Time Adopters
Amendments to FRS 7: Improving Disclosures about Financial Instruments
Amendments to FRS 2: Share based Payment - Group Cash settled Share based Payment Transactions
IC Interpretation 4: Determining Whether An Arrangement contains a Lease
IC interpretation 18: Transfers of Assets from Customers
Improvements to FRSs issued in 2010
TR i-4: Shariah Compliant Sale Contracts

The adoption of the above FRSs, Amendments to FRSs and IC Interpretations do not have any significant impact to the interim financial report of the Group upon their initial application.

The Group has not adopted the following new Financial Reporting Standards ("FRS") and IC Interpretations that have been issued but not yet effective:

Effective for financial periods beginning on or after 1 July 2011

IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14: Prepayment of a Minimum Funding Requirement

Effective for financial periods beginning on or after 1 Jan 2012

FRS 124: Related Party Transactions (Revised)
IC Interpretation 15: Agreements for the Construction of Real Estate

A3 Auditors' report on preceding annual financial statements

The Group's financial statements for the year ended 31 December 2010 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 impact on the Group 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 30 September 2011 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 five 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.
Other operations	- Provide consultation project management and system integration services in industrial automation. Design, manufacture and distribution of power electronics products.

A9. Segmental Reporting (Contd.)

(a) Information about reportable segments

Business segments:														
Individual quarter ended	Telecommunication		Security systems & M&E		Electronics products		Fabrication and manufacturing		Other Operations		Adjustments and eliminations		Per consolidated financial statements	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue														
External customers	3,881	7,333	635	2,829	4,969	3,937	1,294	1,598	524	686	-	-	11,304	16,382
Inter-segment	-	-	1	6	441	974	2,576	1,193	3	879	(3,021)	(3,052)	-	-
Total revenue	3,881	7,333	637	2,835	5,410	4,911	3,869	2,790	528	1,565	(3,021)	(3,052)	11,304	16,382
Results														
Interest income	24	33	4	16	41	32	-	-	-	-	-	-	69	81
Finance costs	2	13	7	32	26	20	23	24	0	1	(6)	-	52	90
Depreciation	14	9	64	66	94	102	79	120	4	5	-	-	255	303
Segment profit/(loss)	410	254	(626)	(252)	535	(786)	133	(222)	(234)	(163)	6	(97)	224	(1,266)
Segment assets	13,901	8,312	11,701	16,129	38,821	42,084	7,505	6,640	1,178	2,365	(3,271)	(1,922)	69,835	73,608
Segment liabilities	(2,845)	(3,356)	(3,100)	(3,984)	(7,787)	(5,282)	(6,108)	(5,062)	(6,367)	(7,925)	8,006	5,615	(18,201)	(19,994)
Capital expenditure	3	5	2	4	4	8	48	33	4	2	-	-	60	53
Geographical segments:														
					Malaysia		Singapore		Vietnam		Adjustments and eliminations		Per consolidated financial statements	
					30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010
					RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue														
Revenue from external customers					8,609	16,382	2,694	-	-	-	-	-	11,304	16,382
Segment assets					68,940	74,343	4,004	1,012	162	175	(3,271)	(1,922)	69,835	73,608
Capital expenditure					60	53	-	-	-	-	-	-	60	53

Business segments:														
Cumulative quarters ended	Telecommunication		Security systems & M&E		Electronics products		Fabrication and manufacturing		Other Operations		Adjustments and eliminations		Per consolidated financial statements	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue														
External customers	8,295	13,667	2,371	5,074	16,642	10,666	4,236	4,529	1,320	2,441	-	-	32,863	36,378
Inter-segment	-	-	25	57	1,395	2,022	6,835	3,482	53	1,721	(8,309)	(7,282)	-	-
Total revenue	8,295	13,667	2,396	5,131	18,037	12,688	11,072	8,012	1,373	4,163	(8,309)	(7,282)	32,863	36,378
Results														
Interest income	88	91	25	57	107	84	-	-	-	-	-	-	220	233
Finance costs	9	27	18	55	86	43	64	67	1	5	(6)	-	173	199
Depreciation	29	28	163	219	283	273	277	378	13	15	-	-	765	913
Segment profit/(loss)	165	(50)	(2,050)	(1,374)	2,378	(2,289)	232	(131)	(26)	(327)	(992)	(275)	(292)	(4,446)
Segment assets	13,901	8,312	11,701	16,129	38,821	42,084	7,505	6,640	1,178	2,365	(3,271)	(1,922)	69,835	73,608
Segment liabilities	(2,845)	(3,356)	(3,100)	(3,984)	(7,787)	(5,282)	(6,108)	(5,062)	(6,367)	(7,925)	8,006	5,615	(18,201)	(19,994)
Capital expenditure	161	10	5	35	12	269	61	291	14	16	-	-	252	620
Geographical segments:														
					Malaysia		Singapore		Vietnam		Adjustments and eliminations		Per consolidated financial statements	
					30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010	30.9.2011	30.9.2010
					RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue														
Revenue from external customers					24,631	35,944	8,232	428	-	6	-	-	32,863	36,378
Segment assets					68,940	74,343	4,004	1,012	162	175	(3,271)	(1,922)	69,835	73,608
Capital expenditure					252	620	-	-	-	-	-	-	252	620

A10. Valuation of property, plant and equipment

The valuations of land and building have been brought forward, without amendment from the previous annual financial statements.

A11. Subsequent Events

As at the date of this report, there are no 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

Other than as disclosed below, 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.

The Group disposed of its entire 40% equity interest in Accumax Technology Sdn Bhd on 3 May 2011 for a total consideration of RM354,640.

The disposal has the following financial effects on the Group for financial period ended 30 September 2011:-

	RM
Property, plant and equipment	(77)
Trade and other receivables	(1,428,530)
Cash & bank balances	(290,059)
Tax payable	(1,127)
Trade and other payables	873,923
Add: Minority interest	<u>507,524</u>
	(338,346)
Disposal proceeds	<u>354,640</u>
Gain on disposal to the Group	<u>16,294</u>
Disposal proceeds settled by:-	
Cash	354,640
Cash inflow/(outflow) arising from disposals:	
Cash consideration	354,640
Cash and cash equivalents of subsidiary disposed	<u>(290,059)</u>
Net cash inflow from disposal	<u>64,581</u>

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. 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:

ADDITIONAL INFORMATION REQUIRED BY THE BMSB LISTING REQUIREMENTS

B1. Review of Performance

Group revenue of RM32.863 million for the current financial period ended 30 September 2011 was 10% lower compared to RM36.378 million for the previous year corresponding period. Loss before tax of RM0.292 million was recorded compared to loss before tax of RM4.446 million in the previous corresponding period mainly due to higher gross profit margin reported on few key projects and lower operating expenses for the period.

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

The Group revenue decrease by 23% from RM14.646 million posted in the preceding quarter to RM11.304 million in the current quarter. Pre-tax profit of RM0.224 million for the current quarter recorded compared to RM1.389 million in the preceding financial quarter mainly due to lower revenue in the current quarter.

B3. Current Year Prospects

The prevailing uncertainties in the global financial economy and the rising costs continue to pose a challenge to the Group's performance.

The Group will continue with its prudent efforts to widen the applications of our products and shall remain focused on improving operational efficiencies to achieve improved profitability and sustainable business growth.

As part of our growth plans, the Group will explore any opportunities or new market to enhance its core business. The Group also will consider new ventures and new business activities which are synergistics to the operations of the Group to further enhance shareholders' value.

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	175,817	482,806
Deferred taxation	-	-
	<u>175,817</u>	<u>482,806</u>

The effective tax rate of the Group is higher than the statutory tax rate for the current quarter 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 for the financial period to date:

	Individual Current Quarter RM	Cumulative Quarters Current RM
Total Purchases	-	-
Total Sale Proceeds	-	21,250
Total Gain on Disposals	-	1,244

(b) There were no assets held for trading investments as at 30 September 2011.

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 30 September 2011:-

	RM
a) Secured and unsecured :	
Total secured borrowings	523,021
Total unsecured borrowings	1,880,532
Total borrowings	<u>2,403,553</u>
b) Short Term and Long Term	
Total short-term borrowings	2,078,853
Total long term borrowings	324,700
Total borrowings	<u>2,403,553</u>

B10. Off Balance Sheet Financial Instruments

Not applicable as off balance sheet financial instruments are accounted for in the statement of financial position in accordance with FRS139.

B11. Realised and Unrealised Losses Disclosure

	As at 30.9.2011 RM	As at 31.12.2010 RM
Total accumulated losses of Industronics Berhad and its subsidiaries:		
- Realised	(17,919,740)	(17,934,246)
- Unrealised	(183,132)	(407,110)
Less: consolidation adjustments	15,789,211	16,721,781
Total group accumulated losses as per consolidated accounts	<u>(2,313,661)</u>	<u>(1,619,575)</u>

B12. Material Litigations

There are no material litigations since the last financial quarter except the following:

Sukitronics Sdn Bhd ("SSB"), a subsidiary company has claimed loss & damage of approximately USD1,184,000 or RM3,706,000 against First Kuwaiti Trading and Contracting W.L.L ("FKTC") for the breach of the contract in which SSB was appointed by FKTC to construct, complete, test, commission and maintain the building, mechanical and electrical works of the construction of US New Consulate Compound in Surabaya, Indonesia.

The case was brought to Arbitration Chambers and the hearing date was fixed on 12 - 16 March 2012.

B13. Dividend

No dividend has been proposed in the current quarter.

B14. Basic earnings/(loss) per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR QUARTER 30.09.2011	PRECEDING YEAR QUARTER 30.9.2010	CURRENT YEAR 30.09.2011	PRECEDING YEAR 30.9.2010
Basic earnings/(loss) per share				
Net profit/(loss) for the period	86,304	(1,018,288)	(694,086)	(3,918,445)
Weighted average no. of ordinary shares in issue	94,132,000	94,132,000	94,132,000	94,132,000
Basic earnings/(loss) per share (sen)	0.09	(1.08)	(0.74)	(4.16)

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 21 November 2011.

BY ORDER OF THE BOARD
INDUSTRONICS BERHAD

21 November 2011