

ELLIPSIZ LTD

HALF YEAR FINANCIAL STATEMENT
AND DIVIDEND ANNOUNCEMENT
FOR SIX MONTHS ENDED

31 DECEMBER 2004

FINANCIAL INFORMATION

Balance Sheet

	Note	-----The Group-----			-----The Company-----		
		31 December	30 June	Var.	31 December	30 June	Var.
		2004	2004		2004	2004	
		\$'000	Restated \$'000	%	\$'000	\$'000	%
Non-Current Assets							
Property, plant and equipment	4	36,785	15,197	142	136	183	(26)
Intangible assets	5	10,624	1	1,062,300	-	1	(100)
Subsidiaries	6	-	-	-	40,081	12,693	216
Associates		1,497	4,201	(64)	750	3,550	(79)
Jointly-controlled entity		296	372	(20)	-	-	-
Other investments		8,193	-	-	8,193	-	-
Other assets		79	79	-	75	75	-
Trade receivables		203	199	2	-	-	-
Deferred tax assets		161	310	(48)	-	-	-
		57,838	20,359	184	49,235	16,502	198
Current Assets							
Inventories		6,963	3,733	87	-	-	-
Trade and other receivables		33,538	26,140	28	2,394	1,336	79
Amounts due from related parties		297	597	(50)	6,063	14,704	(59)
Cash and cash equivalents	7	42,272	52,178	(19)	11,089	36,479	(70)
		83,070	82,648	1	19,546	52,519	(63)
Less:							
Current Liabilities							
Trade and other payables		23,179	18,625	24	3,704	4,568	(19)
Amount due to related parties		8,569	105	8,061	1,446	43	3,263
Interest-bearing borrowings	8	4,008	1,833	119	-	17	(100)
Current tax payable		1,727	977	77	-	-	-
		37,483	21,540	74	5,150	4,628	11
Net Current Assets		45,587	61,108	(25)	14,396	47,891	(70)
		103,425	81,467	27	63,631	64,393	(1)
Less							
Non-Current Liabilities							
Interest-bearing borrowings	8	8,658	5,602	55	-	-	-
Deferred tax liabilities		1,146	619	85	27	37	(27)
Redeemable preference shares		78	-	-	-	-	-
		9,882	6,221	59	27	37	(27)
		93,543	75,246	24	63,604	64,356	(1)
Minority Interests		(17,821)	(2,010)	787	-	-	-
Net Assets		75,722	73,236	3	63,604	64,356	(1)
Share Capital	9	59,431	59,431	-	59,431	59,431	-
Reserves		16,291	13,805	18	4,173	4,925	(15)
Shareholders' Equity		75,722	73,236	3	63,604	64,356	(1)

Profit and Loss Accounts

	Note	-----The Group-----		Var. %
		31 December 2004 \$'000	31 December 2003 \$'000	
Revenue		60,710	29,005	109
Cost of revenue		(41,444)	(24,223)	71
Gross Profit		<u>19,266</u>	<u>4,782</u>	303
Other operating income	11(a)	2,431	5,380	(55)
Distribution expenses		(2,658)	(1,761)	51
Administrative expenses		(10,164)	(4,507)	126
Other operating expenses		(34)	(8)	325
Profit from operations	11	<u>8,841</u>	<u>3,886</u>	128
Finance costs		(304)	(27)	1,026
Share of results of associates		146	142	3
Share of results of jointly-controlled entity		(65)	-	-
Profit from ordinary activities before taxation		<u>8,618</u>	<u>4,001</u>	115
Income taxes	12	(1,703)	(247)	589
Profit from ordinary activities after taxation		<u>6,915</u>	<u>3,754</u>	84
Minority Interests		(1,734)	(26)	6,569
Net profit for the period		<u>5,181</u>	<u>3,728</u>	39
Earnings per share (cents)	13			
- Basic		2.18	1.88	16
- Diluted		2.16	1.87	16

Statement of changes in shareholders' equity

	Note	Share capital \$'000	Share premium \$'000	Capital reserve \$'000	Exchange translation reserve \$'000	Accumulated losses \$'000	Total \$'000
The Group							
31 December 2004							
At 1 July 2004, as previously reported		59,431	53,564	(11,720)	(249)	(29,072)	71,954
Effects of adopting FRS 103	2, 3, 5	-	-	-	-	1,282	1,282
At 1 July 2004, restated		59,431	53,564	(11,720)	(249)	(27,790)	73,236
Exchange difference on translation of financial statements of foreign entities		-	-	-	(1,388)	-	(1,388)
Final dividend paid of 0.6875 cents less tax at 20%	14(b)	-	-	-	-	(1,307)	(1,307)
Net profit for the period		-	-	-	-	5,181	5,181
At 31 December 2004		59,431	53,564	(11,720)	(1,637)	(23,916)	75,722
31 December 2003							
At 1 July 2003, as previously reported		49,500	37,944	(11,720)	(237)	(37,268)	38,219
Effects of adopting FRS 103	2, 3, 5	-	-	-	-	-	-
At 1 July 2003, restated		49,500	37,944	(11,720)	(237)	(37,268)	38,219
Exchange difference on translation of financial statements of foreign entities		-	-	-	(150)	-	(150)
Net profit for the period		-	-	-	-	3,728	3,728
At 31 December 2003		49,500	37,944	(11,720)	(387)	(33,540)	41,797
	Note			Share capital \$'000	Share premium \$'000	Accumulated losses \$'000	Total \$'000
The Company							
31 December 2004							
At 1 July 2004				59,431	53,564	(48,639)	64,356
Final dividend paid of 0.6875 cents less tax at 20%	14(b)			-	-	(1,307)	(1,307)
Net profit for the period				-	-	555	555
At 31 December 2004				59,431	53,564	(49,391)	63,604
31 December 2003							
At 1 July 2003				49,500	37,944	(56,420)	31,024
Net loss for the period				-	-	(475)	(475)
At 31 December 2003				49,500	37,944	(56,895)	30,549

Cash flow statement

	-----The Group-----	
	31 December 2004	31 December 2003
	\$'000	\$'000
Operating Activities		
Profit from ordinary activities before taxation	8,618	4,001
Adjustments for:		
Depreciation of property, plant and equipment	2,407	807
Interest income	(192)	(58)
Interest expense	304	27
Gain on disposal of property, plant and equipment	(2,159)	(25)
Gain on disposal of unquoted equity investments	-	4
Loss on disposal of an associate	30	-
Loss on disposal of partial interest in a subsidiary	5	-
Amortisation of:		
- intangible assets	52	242
- negative goodwill	-	(270)
- positive goodwill	-	8
Reversal of impairment losses on property, plant and equipment	-	(4,817)
Allowance for doubtful debts	-	(62)
Grant income	-	(95)
Share of results of associates and jointly-controlled entity	(81)	(142)
Operating profit / (loss) before working capital changes	8,984	(380)
Changes in working capital:		
Inventories	(569)	(1,914)
Amount due from related parties (trade)	179	(197)
Amount due to related parties (trade)	286	-
Trade and other receivables [@]	(5,944)	(4,385)
Lease payments receivable	-	2,567
Trade and other payables	724	2,307
Pledged fixed deposits	(432)	-
Cash generated from operations	3,228	(2,002)
Interest received	192	65
Interest paid	(304)	(27)
Income tax paid	(976)	(235)
Cash flows from operating activities	2,140	(2,199)
Investing Activities		
Purchase of property, plant and equipment ^{&}	(15,646)	(710)
Proceeds from disposal of property, plant and equipment	5,436	25
Purchase of intangible assets	(11)	-
Investments in associates	-	(850)
Proceeds from disposal of an associate	249	-
Proceeds from liquidation of an associate	-	42
Proceeds from disposal of partial interest in a subsidiary	250	-
Net cash inflow on acquisition of subsidiary [#]	2,202	139
Acquisition of additional interest in a subsidiary	-	(23)
Amount due from related parties (non-trade)	1,447	-
Cash flows from investing activities	(6,073)	(1,377)

Cash flow statement (cont'd)

	Note	-----The Group-----	
		31 December 2004 \$'000	31 December 2003 \$'000
Financing Activities			
Repayment of bank loans		(318)	-
Repayment of hire purchase and finance lease creditors		(475)	(724)
Grant received		-	350
Amount due to related parties (non-trade)		(6,516)	(14)
Loan to associates		-	(1,650)
Dividend paid		(1,307)	-
Capital injection from minority shareholders of subsidiaries		3,286	-
Others		78	-
Cash flows from financing activities		(5,252)	(2,038)
Net decrease in cash and cash equivalents		(9,185)	(5,614)
Cash and cash equivalents at beginning of period		48,822	33,372
Effect of exchange rate changes on balances in foreign currencies		(1,153)	(141)
Cash and cash equivalents at end of period	7	38,484	27,617

Significant non-cash transactions

@ Trade and other receivables amounting to S\$8,193,000 was settled in the form of quoted equity instruments and this was recorded directly as 'other investments' in the financial statements.

& Property, plant and equipment totalling S\$4,198,000 were acquired through hire purchase arrangement.

The effect of acquisition of subsidiary is set out below:

	6 mths ended 31 December 2004 \$'000
Property, plant and equipment	7,740
Intangible assets	10,784
Inventories	2,661
Trade and other receivables	13,558
Cash and cash equivalents	8,522
Trade and other payables	(18,885)
Interest-bearing borrowings	(1,826)
Deferred tax liabilities / assets	(359)
Net identifiable assets and liabilities	22,195
Minority interests	(11,097)
Goodwill on acquisition	358
Share of net assets previously equity accounted for*	(2,556)
Uncalled capital	(2,580)
Consideration paid	6,320
Cash acquired	(8,522)
Net Cash inflow	2,202

* This relates to share of net assets of an associate which was previously equity accounted for. Due to additional investments, the associate is now accounted for as a subsidiary, and consolidated into the financial statements of the group.

Explanatory Notes to Financial Statements

The notes form an integral part of the financial statements.

The financial statements were authorised for issue by the directors on 2 February 2005.

1. Basis of preparation

The financial statements have been prepared in accordance with *Financial Reporting Standard ("FRS") 34 – Interim Financial Reporting*.

The financial statements were not audited or reviewed by the auditors.

Other than as stated in note 2, the Company adopted the same accounting policies and methods of computation for the preparation of the financial statements as compared to the annual report for the financial year ended 30 June 2004.

2. Selected significant accounting policies

(I) Changes in significant accounting policies

During the financial period, due to the adoption of the revised FRSs, namely *FRS 36 – Impairment of Assets*, *FRS 38 – Intangible Assets* and *FRS 103 – Business Combinations*, the following accounting policies of the Company were revised:

(a) Intangible Assets

(i) Goodwill on Consolidation

Goodwill arising on acquisitions in the current financial period represents the excess of the cost of acquisitions over the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired.

Goodwill is stated at cost less impairment losses. The policy on amortisation of goodwill was discontinued with the adoption of FRS 103. Since FRS 103 was adopted prospectively, there was no adjustment to the goodwill amortised in the prior financial years. The carrying amount of the accumulated amortisation brought forward from prior financial years was eliminated with a corresponding decrease in the cost of the goodwill.

Goodwill that was recognised directly to equity in prior years under the previous Singapore Accounting Standard 22, will not be reversed as gain or loss on disposal in the income statement upon sale of the respective subsidiaries.

(ii) Negative Goodwill

Negative goodwill arising on acquisitions in the current financial period represents the excess of the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities over the cost of acquisitions.

With the adoption of FRS 103, negative goodwill is recognised immediately in profit or loss after the re-assessment of the identification and measurement of the identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination.

The carrying amount of the negative goodwill brought forward from prior financial year was derecognised at the beginning of the financial period, with a corresponding adjustment to the opening balance of the retained earnings.

2. Selected significant accounting policies (cont'd)

(I) Changes in significant accounting policies (cont'd)

(b) Impairment

With the adoption of the revised FRS 36, other than the review of the carrying amounts of the Group's assets other than inventories and deferred tax assets, at each balance sheet date, to determine whether there is any indication of impairment, intangible asset with infinite useful life is to be tested for impairment annually by comparing its carrying amount with its recoverable amount, irrespective of whether there is any indication that it may be impaired.

Previously, an impairment loss in respect of goodwill is not reversed unless the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event. The revised FRS 36 prohibits the reversal of any impairment loss that was previously recognised in respect of goodwill.

(II) New accounting policy

During the financial period, the Group adopted the following new accounting policy:

(a) Intangible Assets - Technology License

The technology license that satisfied the definition of intangible assets per *FRS 38 - Intangible Assets*, is capitalised and stated at cost less accumulated amortisation and impairment losses.

Amortisation of the technology license is calculated on the straight-line basis over its estimated useful life of 20 years.

3. Effects of changes in significant accounting policies

The changes in accounting policies highlighted in 2(I), have the following impact:

	----- The Group -----	
	31 December 2004 \$'000	31 December 2003 \$'000
Effect of changes on accumulated losses:		
Accumulated losses brought forward, as previously reported	(29,072)	(37,268)
Effects of adopting:		
FRS 103 (negative goodwill)	1,282	-
Accumulated losses brought forwards, restated	<u>(27,790)</u>	<u>(37,268)</u>
Effect of changes on profit for the period:		
Net profit before changes in accounting policies	5,346	3,728
Effects of adopting:		
FRS 103 (negative goodwill)	(165)	-
	<u>5,181</u>	<u>3,728</u>

The adoption of FRS 103 has no impact on the accumulated losses brought forward and the profit of the Company.

The adoptions of the revised FRS 36 and FRS 38 have no impact on the accumulated losses brought forward and the profit of the Group and the Company.

4. Property, Plant and Equipment

The Group 31 December 2004	Leasehold building \$'000	Leasehold improve- ments \$'000	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Motor vehicles \$'000	Plant and machinery \$'000	Mechanical and electrical facilities \$'000	Total \$'000
Cost									
At 1 July 2004	2,505	1,683	559	2,833	2,386	293	28,697	5,064	44,020
Additions	-	1,532	54	11	477	43	17,719	8	19,844
Arising from acquisition of subsidiaries	-	258	285	209	825	77	10,948	-	12,602
Disposals and write- offs	-	(19)	(267)	(16)	(83)	-	(10,878)	(5,014)	(16,277)
Translation difference	-	(12)	(15)	(11)	(39)	(4)	(488)	-	(569)
At 31 December 2004	<u>2,505</u>	<u>3,442</u>	<u>616</u>	<u>3,026</u>	<u>3,566</u>	<u>409</u>	<u>45,998</u>	<u>58</u>	<u>59,620</u>
Accumulated depreciation and impairment losses									
At 1 July 2004	842	588	490	2,335	2,097	196	17,225	5,050	28,823
Depreciation for the period	57	135	37	68	188	33	1,884	5	2,407
Arising from acquisition of subsidiaries	-	114	165	39	418	14	4,112	-	4,862
Disposals and write- offs	-	(15)	(267)	(16)	(83)	-	(7,605)	(5,014)	(13,000)
Translation difference	-	(7)	(8)	(3)	(22)	(1)	(216)	-	(257)
At 31 December 2004	<u>899</u>	<u>815</u>	<u>417</u>	<u>2,423</u>	<u>2,598</u>	<u>242</u>	<u>15,400</u>	<u>41</u>	<u>22,835</u>

4. Property, Plant and Equipment (cont'd)

The Group 31 December 2004	Leasehold building \$'000	Leasehold improve- ments \$'000	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Motor vehicles \$'000	Plant and machinery \$'000	Mechanical and electrical facilities \$'000	Total \$'000
Carrying amount									
At 31 December 2004	<u>1,606</u>	<u>2,627</u>	<u>199</u>	<u>603</u>	<u>968</u>	<u>167</u>	<u>30,598</u>	<u>17</u>	<u>36,785</u>
At 30 June 2004	<u>1,663</u>	<u>1,095</u>	<u>69</u>	<u>498</u>	<u>289</u>	<u>97</u>	<u>11,472</u>	<u>14</u>	<u>15,197</u>

Leasehold building and plant and machinery with carrying amount of \$1,606,000 (June 2004: \$1,663,000) and \$ 3,982,000 (June 2004: \$4,844,000) respectively have been pledged to banks as securities for bank loans.

The carrying amount of property, plant and equipment includes amount totalling \$7,230,000 (June 2004: \$645,000) in respect of assets acquired under hire purchase agreements and finance leases.

4. Property, Plant and Equipment (cont'd)

The Company 31 December 2004	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Total \$'000
Cost				
At 1 July 2004	69	55	1,494	1,618
Additions	-	1	10	11
At 31 December 2004	<u>69</u>	<u>56</u>	<u>1,504</u>	<u>1,629</u>
Accumulated depreciation				
At 1 July 2004	57	45	1,333	1,435
Depreciation for the period	8	5	45	58
At 31 December 2004	<u>65</u>	<u>50</u>	<u>1,378</u>	<u>1,493</u>
Carrying amount				
At 31 December 2004	<u>4</u>	<u>6</u>	<u>126</u>	<u>136</u>
At 30 June 2004	<u>12</u>	<u>10</u>	<u>161</u>	<u>183</u>

5. Intangible Assets

The Group 31 December 2004	Computer software \$'000	Development expenditure \$'000	Negative goodwill \$'000	Positive goodwill \$'000	Technology License \$'000	Total \$'000
Cost						
At 1 July 2004	1,823	3,920	(1,618)	3	-	4,128
Effects of adopting FRS 103	-	-	1,618	(3)	-	1,615
Arising from acquisition of interest in subsidiaries	-	-	-	9,103	2,052	11,155
Additions	11	-	-	-	-	11
Translation difference	-	-	-	(389)	(91)	(480)
At 31 December 2004	<u>1,834</u>	<u>3,920</u>	<u>-</u>	<u>8,714</u>	<u>1,961</u>	<u>16,429</u>
Accumulated amortisation						
At 1 July 2004	1,822	3,920	(336)	3	-	5,409
Effects of adopting FRS 103	-	-	336	(3)	-	333
Arising from acquisition of interest in subsidiaries	-	-	-	-	13	13
Amortisation for the period	2	-	-	-	50	52
Translation difference	-	-	-	-	(2)	(2)
At 31 December 2004	<u>1,824</u>	<u>3,920</u>	<u>-</u>	<u>-</u>	<u>61</u>	<u>5,805</u>

5. Intangible Assets (cont'd)

The Group 31 December 2004	Computer software \$'000	Development expenditure \$'000	Negative goodwill \$'000	Positive goodwill \$'000	Technology License \$'000	Total \$'000
Carrying amount						
At 31 December 2004	10	-	-	8,714	1,900	10,624
At 30 June 2004						
- as previously reported	1	-	(1,282)	-	-	(1,281)
- restated	1	-	-	-	-	1

The goodwill of \$9,103,000 arises from the acquisition of interest in SV Probe Pte Ltd and its subsidiaries ("SV Probe") (Note 6) during the period. SV Probe is in the provision of probe card designing, manufacturing and distribution solutions for the semiconductor industry. One of its subsidiaries, SV Probe Inc., is established in the States and has proven track records of performance. The acquisition of SV Probe not only enhances the range of solution services provided by the Group to the semiconductor industry but also increases the Group's recurring streams of revenue and expands the Group's participation in the semiconductor industry to the States. Out of the \$9,103,000 goodwill, \$8,745,000 relates to SV probe's operations in the States and the remaining \$358,000 was for SV Probe's operations in Asia.

The Company 31 December 2004	Computer software \$'000
Cost	
At 1 July 2004	1,823
Accumulated amortisation	
At 1 July 2004	1,822
Amortisation for the 6 months ended 31 December 2004	1
At 31 December 2004	1,823
Carrying amount	
At 31 December 2004	-
At 30 June 2004	1

6. Subsidiaries

The Company invested in the following new subsidiaries during the financial period:

Name of Subsidiary	Principal Activities	Date of Investment/ Acquisition	Country of Incorporation and Business	Effective Equity held by the Group as at	
				31 December 2004 %	30 June 2004 %
Ellipsiz Test Pte. Ltd.	Provision of semiconductor packaging and testing services	7 July 2004	Singapore	75	-
#@ SV Probe Pte. Ltd. (formerly known as SV Probe Asia Pte. Ltd.) and its subsidiaries:	Provision of probe card designing, manufacturing and distribution solutions for the semiconductor industry and provision of customer support facilities to the production manufacturing operations.	3 August 2004	Singapore	50	40
SV Probe Inc.	Design, develop and manufacture testing products namely, probe cards, for the electronics industry	3 August 2004	United States of America	50	-

6. Subsidiaries (cont'd)

Name of Subsidiary	Principal Activities	Date of Investment/ Acquisition	Country of Incorporation and Business	Effective Equity held by the Group as at	
				31 December 2004	30 June 2004
SV Probe Taiwan Co. Ltd	Trading of probe card, printed circuit board, electronic components and repair service	3 August 2004	Taiwan	50	40
SV Probe Vietnam Co. Ltd	Production, installation and designing accessories, spare parts and tools for manufacturing semi-con products	3 August 2004	Vietnam	50	40
SV Technology Inc.	Provision of technology services, including technology transfer, training, technical and consultancy services, expert advice and technical assistance	3 August 2004	Republic of Mauritius	50	40
SV Probe China Co. Ltd	Production, trading, research and development, provision of technical consultation and assistance services for electronics products	24 September 2004	China	50	-

[®] The cost of combination of \$11,700,000 includes cost of investment of \$11,400,000 and cost directly attributable to the combination of \$300,000. The cost of investment was partially settled by cash of \$8,820,000 on the date of combination and the balance of \$2,580,000 payable on call within 12 months from date of combination.

Pursuant to the terms of a Supplemental Agreement, the effective equity of the Group in SV Probe Pte. Ltd. ("SV Probe") may be adjusted within the next three years by the conversion of the Company's convertible loan (Note 16(b)) in SV Probe into equity and the Company transferring part of its interest in SV Probe to the partner based on an adjustment formula depending on, inter alia, the financial performance of SV Probe Inc.

[#] During the financial period, SV Probe Pte. Ltd. had revenue and profit of \$19,206,000 (31 December 2003: not applicable) and \$2,556,000 (31 December 2003: not applicable) respectively. The revenue recorded since the acquisition date was \$18,564,000 and the Group's share of the profit was \$1,293,000.

7. Cash and Cash Equivalents

	----- The Group -----		----- The Company -----	
	31 December 2004 \$'000	30 June 2004 \$'000	31 December 2004 \$'000	30 June 2004 \$'000
Cash at bank and in hand	23,565	17,508	1,570	3,988
Fixed deposits	18,707	34,670	9,519	32,491
	<u>42,272</u>	<u>52,178</u>	<u>11,089</u>	<u>36,479</u>
Fixed deposits held as securities by banks	(3,788)	(3,356)		
Cash and cash equivalents in the statement of cash flows	<u>38,484</u>	<u>48,822</u>		

8. Interest-Bearing Borrowings

(a) Interest-bearing borrowings consist of the following:

	----- The Group -----		----- The Company -----	
	31 December 2004 \$'000	30 June 2004 \$'000	31 December 2004 \$'000	30 June 2004 \$'000
Non-current liabilities				
Secured bank loans	1,323	4,801	-	-
Unsecured bank loan	3,299	667	-	-
Obligations under hire purchase agreements and finance leases	4,036	134	-	-
	<u>8,658</u>	<u>5,602</u>	<u>-</u>	<u>-</u>
Current liabilities				
Secured bank loans	1778	1,250	-	-
Unsecured bank loan	400	400	-	-
Obligations under hire purchase agreements and finance leases	1,830	183	-	17
	<u>4,008</u>	<u>1,833</u>	<u>-</u>	<u>17</u>

The bank loans of \$6,800,000 (June 2004: \$ 7,118,000) are secured by:

- (i) mortgage over the leasehold building;
- (ii) fixed charge over certain plant and machinery of the Group;
- (iii) fixed deposit of \$2,800,000 of the Company; and
- (iv) corporate guarantee of \$7,200,000 (June 2004: \$1,200,000) provided by the Company

The hire purchase agreements and finance leases are secured by certain plant and machinery of the Group and corporate guarantee of \$2,178,000 (June 2004: \$Nil) provided by the Company.

The carrying amounts of the property, plant and equipment held as security are stated in note 4.

(b) Obligations under hire purchase agreements and finance leases

	----- 31 December 2004 -----			----- 30 June 2004 -----		
	Payment \$'000	Interest \$'000	Principal \$'000	Payment \$'000	Interest \$'000	Principal \$'000
The Group						
Within 1 year	2,125	295	1,830	205	22	183
After 1 year but within 5 years	4,319	283	4,036	151	17	134
	<u>6,444</u>	<u>578</u>	<u>5,866</u>	<u>356</u>	<u>39</u>	<u>317</u>
The Company						
Within 1 year	-	-	-	17	-	17
After 1 year but within 5 years	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>17</u>	<u>-</u>	<u>17</u>

9. Share Capital

There was no issue of new share by the Company during the financial period.

Subsequent to 31 December 2004, 383,000 new shares of \$0.25 each were issued for:

- (a) the 195,333 awards vested on 6 January 2005; and
- (b) the exercise of 187,667 options granted under the Ellipsiz Share Option Plan.

As at date of the issue of the financial statements, the outstanding awards and options are:

- (a) awards of 1,838,934 ordinary shares of \$0.25 each granted to eligible employees and directors under the Ellipsiz Restricted Stock Plan; and
- (b) options to subscribe 510,166 and 2,711,600 ordinary shares of \$0.25 each at the subscription prices of \$0.25 and \$0.64 respectively. The options are granted to eligible employees and directors under the Ellipsiz Share Option Plan.

10. Net Assets Value Per Share

	The Group	The Company
Net asset value per ordinary share based on issued share capital of the company at the end of the:		
(a) Current period reported on 31 December 2004	31.85 cents	26.76 cents
(b) Immediately preceeding financial year on 30 June 2004		
- as previously reported	30.27 cents	27.07 cents
- restated	30.81 cents	27.07 cents

11. Profit from Ordinary Activities Before Taxation

Profit from ordinary activities before taxation includes the following:-

		----- The Group -----	
	Note	31 December 2004 \$'000	31 December 2003 \$'000
(a) Other operating income			
Rental Income		310	227
Exchange loss		(655)	(173)
Interest income			
- banks		163	58
- third party		13	-
- affiliate		16	-
Grant income		-	95
Gain on disposal of property, plant and equipment		2,159	25
Reversal of impairment losses for property, plant and equipment previously written off	4	-	4,650
Amortisation of negative goodwill	5	-	270
Loss on liquidation of an associate		-	(4)
Sundry income		425	232
		2,431	5,380
(b) Operating expenses			
Depreciation of property, plant and equipment		2,407	807
Allowance made for doubtful trade receivables		2	(62)
Allowance (reversed)/made for inventory obsolescence		(8)	17
Bad debts written off		1	-
Loss on disposal of partial interest in a subsidiary		5	-
Loss on disposal of investment in associate		30	-
Amortisation of:			
- intangible assets	5	52	242
- positive goodwill on subsidiary	5	-	3
- positive goodwill on associates		-	8
		2,407	1,107

12. Income Taxes

Income taxes recognised in the profit and loss account include:

	----- The Group -----	
	31 December 2004 \$'000	31 December 2003 \$'000
Current tax expense:		
- current year	1,347	297
- over provided in prior year	(6)	(50)
- withholding tax	24	-
	1,365	247
Deferred tax expense		
- movements in temporary differences	301	-
- change in tax rate	37	-
	338	-
Income tax expense	1,703	247

13. Earnings Per Share – The Group

The calculation of basic earnings per share is based on the Group's net profit attributable to shareholders of \$5,181,000 (December 2003: \$3,728,000) divided by the weighted average ordinary shares of 237,723,333 (December 2003: 198,000,000) in issue during the financial period.

The diluted earnings per share is calculated by dividing the Group's net profit attributable to shareholders by the weighted average number of ordinary shares in issue, adjusted for the effect of dilutive options and awards during the financial period.

	----- The Group -----	
	31 December 2004 \$'000	31 December 2003 \$'000
Net profit attributable to shareholders	5,181	3,728
	Number of shares (‘000)	Number of shares (‘000)
Weighted average number of ordinary shares applicable to the basic earnings per share	237,723	198,000
Effect of dilutive share options and awards	2,278	1,037
Weighted average number of ordinary shares applicable to diluted earnings per share	240,001	199,037
Earnings per share (cents)		
- basic	2.18	1.88
- diluted	2.16	1.87

14. Dividend

(a) Interim dividend

The Company declared the following dividend for the current financial period:

(i)	Name of dividend	Interim
(ii)	Dividend type	Cash
(iii)	Dividend rate	0.5 cents per ordinary share less tax
(iv)	Par value of shares	\$0.25
(v)	Tax rate	20%
(vi)	Books closure date	5.00 pm on 23 February 2005
(vii)	Date payable	8 March 2005

The declaration of interim dividend was approved by the Board after the end of the financial period and hence the dividend was not recognised in the financial statements as at 31 December 2004.

The Company did not declare or recommend interim dividend for the corresponding period of the immediately preceding financial year.

14. Dividend (cont'd)

(b) First and final dividend for financial year ended 30 June 2004

During the Company's Annual General Meeting on 20 October 2004, the resolution in respect of the first and final dividend of 0.6875 cents per share less tax at 20% declared for the financial year ended 30 June 2004 was passed. The net dividend of \$1,307,478 was paid on 18 November 2004.

15. Significant Related Party Transactions & Interested Person Transactions

Significant transactions with related parties are as follows:

	----- The Group -----	
	31 December 2004	31 December 2003
	\$'000	\$'000
Sales to:		
- associates	128	-
- affiliates	989	297
Purchases from:		
- associates	851	2
- affiliates	1,529	1,244
Rental income receivable from:		
- associates	8	26
- affiliates	23	-
Service fee received from:		
- associate	11	-
Interest income from:		
- affiliate	17	-

There was no significant interested persons transaction in the financial period and the corresponding period of the immediately preceding financial year.

16. Commitments

(a) Lease Commitments

As at 31 December 2004, commitments of the Group and the Company for minimum lease payments under non-cancellable operating leases with terms of more than one year are as follows:

	----- The Group -----		----- The Company -----	
	31 December 2004	30 June 2004	31 December 2004	30 June 2004
	\$'000	\$'000	\$'000	\$'000
Payable:				
Within 1 year	577	1,253	250	624
After 1 year but within 5 years	639	1,936	-	-
After 5 years	1,018	-	-	-
	<u>2,234</u>	<u>3,189</u>	<u>250</u>	<u>624</u>

(b) Other Commitments

As at 31 December 2004, the Company is committed to

- inject further capital of \$2,580,000 in a subsidiary (Note 18(b));
- extend a convertible shareholder loan of US\$ 2,500,000 to a subsidiary; and
- acquire interest in a company as disclosed in Note 18(a) to the financial statements.

17. Segment Results

(a) Business Segments

	Wafer Fab Solutions \$'000	Test & Advanced Packaging Solutions \$'000	Fabless Solutions \$'000	Elimi- nations \$'000	Consolidated \$'000
Revenue and Expense					
For the 6 months ended 31 December 2004					
Total revenue from external customers	39,051	3,095	18,564	-	60,710
Inter-segment revenue	2,040	-	-	(2,040)	-
	<u>41,091</u>	<u>3,095</u>	<u>18,564</u>	<u>(2,040)</u>	<u>60,710</u>
Segment results	<u>2,823</u>	<u>1,825</u>	<u>3,635</u>	-	8,283
Unallocated corporate results	-	-	-	-	366
Share of results of associates and a jointly- controlled entity	118	-	(37)	-	<u>81</u>
Profit from ordinary activities before interest income/ (expense) and taxation	-	-	-	-	8,730
Interest income	-	-	-	-	192
Interest expense	-	-	-	-	(304)
Income taxes	-	-	-	-	(1,703)
Minority interests	-	-	-	-	<u>(1,734)</u>
Net profit for half year					<u>5,181</u>

17. Segment Results (cont'd)

(a) Business Segments (cont'd)

	Wafer Fab Solutions \$'000	Test & Advanced Packaging Solutions \$'000	Fabless Solutions \$'000	Elimi- nations \$'000	Consolidated \$'000
Revenue and Expense					
For the 6 months ended 31 December 2003					
Total revenue from external customers	27,515	1,490	-	-	29,005
Inter-segment revenue	21	-	-	(21)	-
	<u>27,536</u>	<u>1,490</u>	<u>-</u>	<u>(21)</u>	<u>29,005</u>
Segment results	<u>1,742</u>	<u>4,327</u>	<u>(3)</u>	-	6,066
Unallocated corporate results	-	-	-	-	(2,238)
Share of results of associates and a jointly- controlled entity	142	-	-	-	<u>142</u>
Profit from ordinary activities before interest income/ (expense) and taxation	-	-	-	-	3,970
Interest income	-	-	-	-	58
Interest expense	-	-	-	-	(27)
Income taxes	-	-	-	-	(247)
Minority interests	-	-	-	-	<u>(26)</u>
Net profit for half year					<u>3,728</u>

17. Segment Results (cont'd)

(a) Business Segments (cont'd)

	Wafer Fab Solutions \$'000	Test & Advanced Packaging Solutions \$'000	Fabless Solutions \$'000	Elimi- nations \$'000	Consolidated \$'000
<i>Assets and Liabilities</i>					
31 December 2004					
Segment assets	52,885	27,098	35,634	(407)	115,210
Unallocated corporate assets	-	-	-	-	22,682
Investment in associates	750	-	680	67	1,497
Investment in a jointly-controlled entity	-	-	296	-	296
Income tax assets					1,223
Total assets					<u>140,908</u>
Segment liabilities	15,403	3,637	11,300	4	30,344
Unallocated corporate liabilities					1,482
Interest-bearing borrowings					12,666
Income tax liabilities					2,873
Total liabilities					<u>47,365</u>

17. Segment Results (cont'd)

(a) Business Segments (cont'd)

	Wafer Fab Solutions \$'000	Test & Advanced Packaging Solutions \$'000	Fabless Solutions \$'000	Elimi- nations \$'000	Consolidated \$'000
<i>Assets and Liabilities</i>					
30 June 2004					
Segment assets (restated)	49,786	7,982	20	(828)	56,960
Unallocated corporate assets					40,042
Investment in associates	978	-	3,223	-	4,201
Investment in a jointly- controlled entity	-	-	372	-	372
Income tax assets					<u>1,432</u>
Total assets					<u>103,007</u>
Segment liabilities	12,693	3,299	10	(172)	15,830
Unallocated corporate liabilities					2,900
Interest- bearing borrowings					7,435
Income tax liabilities					<u>1,596</u>
Total liabilities					<u>27,761</u>

17. Segment Results (cont'd)

(a) Business Segments (cont'd)

	Wafer Fab Solutions \$'000	Test & Advanced Packaging Solutions \$'000	Fabless Solutions \$'000	Consolidated \$'000
Capital Expenditure				
31 December 2004				
Capital expenditure	226	17,969	1,649	19,844
Corporate				11
				<u>19,855</u>
31 December 2003				
Capital expenditure	710	-	-	710
Corporate	-	-	-	-
				<u>710</u>
Significant Non-Cash Item				
31 December 2004				
Depreciation of property, plant and equipment :				
- allocated to business segment	1,148	334	904	2,386
- unallocated corporate expenses				21
				2,407
Gain on disposal of property, plant and equipment	1	2,140	18	2,159
Amortisation of intangible assets :				
- allocated to business segments	-	1	50	51
- unallocated corporate expenses				1
				52
Loss on disposal of interest in:				
- subsidiary	-	-	-	5
- associate	-	-	-	30

17. Segment Results (cont'd)

(a) Business Segments (cont'd)

	Wafer Fab Solutions \$'000	Test & Advanced Packaging Solutions \$'000	Fables Solutions \$'000	Consolidated \$'000
<i>Significant Non-Cash Item</i>				
<i>31 December 2003</i>				
Depreciation of property, plant and equipment :				
- allocated to business segments	751	-	-	751
- unallocated corporate expenses	-	-	-	56
				807
Reversal of impairment losses for property, plant and equipment	-	4,650	-	4,650
Loss on disposal of property, plant and equipment	-	-	-	-
Amortisation of negative goodwill	-	-	-	-
Amortisation of intangible assets :				
- allocated to business segments	209	-	-	209
- unallocated corporate expenses	-	-	-	33
				242
Reversal of allowance for doubtful loan to an associate	-	-	-	-
Grant income	-	95	-	95

17. Segment Results (cont'd)

(b) Geographical Segments

	Singapore \$'000	Other Asean Countries \$'000	Other Regions \$'000	Elimi- nations \$'000	Consolidated \$'000
31 December 2004					
Total revenue from external customers	21,077	9,309	30,324		60,710
Segment assets	87,322	10,569	40,001		137,892
Investment in associates	817	-	680		1,497
Investment in a jointly - controlled entity	-	-	296		296
Income tax assets					1,223
	<u>88,139</u>	<u>10,569</u>	<u>40,977</u>		<u>140,908</u>
Capital expenditure	<u>19,688</u>	<u>4</u>	<u>163</u>		<u>19,855</u>
31 December 2003					
Total revenue from external customers	15,225	5,614	8,166		29,005
30 June 2004					
Segment assets (restated)	71,238	6,188	19,576		97,002
Investment in associates	3,575	-	626		4,201
Investment in a jointly - controlled entity	-	-	372		372
Income tax assets					1,432
	<u>74,813</u>	<u>6,188</u>	<u>20,574</u>		<u>103,007</u>
31 December 2003					
Capital expenditure	<u>9</u>	<u>-</u>	<u>701</u>		<u>710</u>

18. Subsequent Events

Subsequent to the end of the financial period, the Company

- (a) acquired 91% interest in a newly incorporated company, FMB Industries Pte. Ltd. by way of acquisition of 2 ordinary shares of \$1.00 par value each for a consideration of \$2.00 and subscription of 1,199,998 ordinary shares of \$1.00 par value each for a total subscription price of \$1,199,998.
- (b) further invested \$2,580,000 in SV Probe Pte. Ltd. ("SV Probe") upon request of SV Probe for the uncalled capital as at 31 December 2004 (Note 16(b)).