



**Ellipsiz Ltd and its Subsidiaries
Registration Number: 199408329R**

Third Quarter Financial Statements and
Dividend Announcement for period ended

31 March 2012

Statements of Financial Position

		Group			Company		
	Note	31 March 2012 \$'000	30 June 2011 \$'000	Var. %	31 March 2012 \$'000	30 June 2011 \$'000	Var. %
Non-current assets							
Property, plant and equipment	3	5,390	5,619	(4)	2	5	(60)
Intangible assets	4	34,734	33,210	5	-	2	(100)
Subsidiaries	5	-	-	-	84,191	84,123	-
Associates		8,426	7,917	6	4,868	4,868	-
Joint ventures		749	838	(11)	-	-	-
Financial assets	6	5,952	4,514	32	5,952	4,514	32
Trade and other receivables		5,647	4,695	20	-	-	-
Amounts due from related parties		-	-	-	-	433	(100)
Deferred tax assets		2,805	2,653	6	8	11	(27)
		<u>63,703</u>	<u>59,446</u>	7	<u>95,021</u>	<u>93,956</u>	1
Current assets							
Inventories		7,100	9,920	(28)	-	-	-
Project-in-progress		2,778	4,085	(32)	-	-	-
Trade and other receivables		32,407	33,797	(4)	538	362	49
Amounts due from related parties		313	385	(19)	12,788	13,704	(7)
Cash and cash equivalents	7	29,365	34,685	(15)	8,208	10,743	(24)
		<u>71,963</u>	<u>82,872</u>	(13)	<u>21,534</u>	<u>24,809</u>	(13)
Total assets		<u>135,666</u>	<u>142,318</u>	(5)	<u>116,555</u>	<u>118,765</u>	(2)
Equity attributable to Owners of the Company							
Share capital	8	88,773	88,240	1	88,773	88,240	1
Reserves		7,081	9,362	(24)	15,097	16,252	(7)
		<u>95,854</u>	<u>97,602</u>	(2)	<u>103,870</u>	<u>104,492</u>	(1)
Non-controlling interests		1,109	1,657	(33)	-	-	-
Total equity		<u>96,963</u>	<u>99,259</u>	(2)	<u>103,870</u>	<u>104,492</u>	(1)
Non-current liabilities							
Interest-bearing borrowings	9	3,760	4,272	(12)	-	903	(100)
Deferred tax liabilities		633	654	(3)	-	-	-
		<u>4,393</u>	<u>4,926</u>	(11)	<u>-</u>	<u>903</u>	(100)
Current liabilities							
Trade and other payables		27,063	30,485	(11)	656	1,274	(49)
Provisions		1,004	492	104	-	-	-
Amounts due to related parties		386	692	(44)	10,346	10,335	-
Interest-bearing borrowings	9	5,097	5,423	(6)	1,234	1,301	(5)
Redeemable convertible preference shares		78	78	-	-	-	-
Current tax payable		682	963	(29)	449	460	(2)
		<u>34,310</u>	<u>38,133</u>	(10)	<u>12,685</u>	<u>13,370</u>	(5)
Total liabilities		<u>38,703</u>	<u>43,059</u>	(10)	<u>12,685</u>	<u>14,273</u>	(11)
Total equity and liabilities		<u>135,666</u>	<u>142,318</u>	(5)	<u>116,555</u>	<u>118,765</u>	(2)

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

Group	Note	1 January 2012 to 31 March 2012 \$'000	1 January 2011 to 31 March 2011 \$'000	Var. %	1 July 2011 to 31 March 2012 \$'000	1 July 2010 to 31 March 2011 \$'000	Var. %
Revenue		31,477	43,844	(28)	99,879	131,083	(24)
Cost of revenue		(25,282)	(34,864)	(27)	(79,971)	(102,140)	(22)
Gross profit		6,195	8,980	(31)	19,908	28,943	(31)
Other income	10	13	269	(95)	576	2,246	(74)
Distribution expenses		(3,043)	(4,065)	(25)	(9,925)	(11,813)	(16)
Administrative expenses		(3,431)	(3,711)	(8)	(10,890)	(11,128)	(2)
Research and development expenses		(314)	(604)	(48)	(948)	(1,356)	(30)
Other expenses		(118)	(401)	(71)	(867)	(1,741)	(50)
Results from operating activities	10	(698)	468	(249)	(2,146)	5,151	(142)
Finance income		66	8	725	179	26	588
Finance expenses		(52)	(93)	(44)	(191)	(329)	(42)
Net finance income/(expenses)	11	14	(85)	(116)	(12)	(303)	(96)
Share of results of associates (net of tax)		169	141	20	467	504	(7)
Share of results of joint ventures (net of tax)		(95)	(87)	(9)	(117)	(87)	(34)
(Loss)/Profit before income tax		(610)	437	(240)	(1,808)	5,265	(134)
Income tax (expense)/credit	12	(22)	88	(125)	(415)	232	(279)
(Loss)/Profit for the period		(632)	525	(220)	(2,223)	5,497	(140)
Other comprehensive income							
Exchange differences on translation of financial statements of foreign operations		(2,408)	(1,994)	(21)	1,871	(4,891)	138
Exchange differences on monetary items forming part of net investments in foreign operations		216	607	(64)	(887)	1,086	(182)
Net change in fair value of available-for-sale financial assets, net of tax		1,119	9	12,333	(110)	1,204	(109)
Arising from disposal of subsidiaries		-	-	-	59	-	100
Other comprehensive income for the period, net of income tax		(1,073)	(1,378)	22	933	(2,601)	136
Total comprehensive income for the period		(1,705)	(853)	(100)	(1,290)	2,896	(145)
(Loss)/Profit attributable to:							
Owners of the Company		(343)	901	(138)	(1,599)	6,274	(125)
Non-controlling interests		(289)	(376)	(23)	(624)	(777)	(20)
(Loss)/Profit for the period		(632)	525	(220)	(2,223)	5,497	(140)

The accompanying notes form an integral part of these financial statements.

Group	Note	1 January	1 January	Var.	1 July	1 July	Var.
		2012	2011		2011	2010	
		to	to		to	to	
		31 March	31 March		31 March	31 March	
		\$'000	\$'000	%	\$'000	\$'000	%
Total comprehensive income attributable to:							
Owners of the Company		(1,392)	(446)	(212)	(742)	3,729	(120)
Non-controlling interests		(313)	(407)	(23)	(548)	(833)	(34)
Total comprehensive income for the period		<u>(1,705)</u>	<u>(853)</u>	(100)	<u>(1,290)</u>	<u>2,896</u>	(145)
Earnings per share	13						
- Basic (cents)		(0.06)	0.17	(135)	(0.29)	1.16	(125)
- Diluted (cents)		<u>(0.06)</u>	<u>0.16</u>	(138)	<u>(0.29)</u>	<u>1.13</u>	(126)

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

Group	Share capital \$'000	Capital reserve \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Exchange translation reserve \$'000	Accumulated profits \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
31 March 2011									
Balance as at 1 July 2010	86,855	(11,720)	237	1,018	(9,496)	29,833	96,727	2,216	98,943
Total comprehensive income for the period									
Profit/(Loss) for the period	-	-	-	-	-	5,373	5,373	(401)	4,972
Other comprehensive income									
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	(2,872)	-	(2,872)	(25)	(2,897)
Exchange differences on monetary items forming part of net investments in foreign operations	-	-	-	-	479	-	479	-	479
Net change in fair value of available-for-sale financial assets, net of tax	-	-	1,195	-	-	-	1,195	-	1,195
Total other comprehensive income	-	-	1,195	-	(2,393)	-	(1,198)	(25)	(1,223)
Total comprehensive income for the period	-	-	1,195	-	(2,393)	5,373	4,175	(426)	3,749
Transactions with Owners, recorded directly in equity									
Contributions by and distributions to Owners									
Issuance of shares pursuant to the exercise of warrants	901	-	-	-	-	-	901	-	901
Issuance of shares pursuant to the exercise of share options	358	-	-	-	-	-	358	-	358
- Exercise price	116	-	-	(116)	-	-	-	-	-
- Value of employee services received	-	-	-	557	-	-	557	-	557
Value of employee services received for issue of share options	-	-	-	150	-	-	150	-	150
Value of employee services received for issue of share awards	-	-	-	-	-	-	-	-	-
Final dividend of 0.15 cents per share in respect of 2010	-	-	-	-	-	(814)	(814)	-	(814)
Special dividend of 1.10 cents per share in respect of 2010	-	-	-	-	-	(5,969)	(5,969)	-	(5,969)
Total contributions by and distributions to Owners	1,375	-	-	591	-	(6,783)	(4,817)	-	(4,817)
Total transactions with Owners	1,375	-	-	591	-	(6,783)	(4,817)	-	(4,817)
Balance as at 31 December 2010	88,230	(11,720)	1,432	1,609	(11,889)	28,423	96,085	1,790	97,875

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

Group	Share capital \$'000	Capital reserve \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Exchange translation reserve \$'000	Accumulated profits \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
31 March 2011									
Balance as at 1 January 2011	88,230	(11,720)	1,432	1,609	(11,889)	28,423	96,085	1,790	97,875
Total comprehensive income for the period									
Profit/(Loss) for the period	-	-	-	-	-	901	901	(376)	525
Other comprehensive income									
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	(1,963)	-	(1,963)	(31)	(1,994)
Exchange differences on monetary items forming part of net investments in foreign operations	-	-	-	-	607	-	607	-	607
Net change in fair value of available-for-sale financial assets, net of tax	-	-	9	-	-	-	9	-	9
Total other comprehensive income	-	-	9	-	(1,356)	-	(1,347)	(31)	(1,378)
Total comprehensive income for the period	-	-	9	-	(1,356)	901	(446)	(407)	(853)
Transactions with Owners, recorded directly in equity									
Contributions by and distributions to Owners									
Issuance of shares pursuant to the exercise of warrants	4	-	-	-	-	-	4	-	4
Value of employee services received for issue of share options	-	-	-	294	-	-	294	-	294
Value of employee services received for issue of share awards	-	-	-	79	-	-	79	-	79
Interim dividend of 0.13 cents per share in respect of 2011	-	-	-	-	-	(706)	(706)	-	(706)
Special dividend of 0.15 cents per share in respect of 2011	-	-	-	-	-	(814)	(814)	-	(814)
Total contributions by and distributions to Owners	4	-	-	373	-	(1,520)	(1,143)	-	(1,143)
Total transactions with Owners	4	-	-	373	-	(1,520)	(1,143)	-	(1,143)
Balance as at 31 March 2011	88,234	(11,720)	1,441	1,982	(13,245)	27,804	94,496	1,383	95,879

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Consolidated Statement of Changes in Equity

Group	Share capital \$'000	Capital reserve \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Exchange translation reserve \$'000	Accumulated profits \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
31 March 2012									
Balance as at 1 July 2011	88,240	(11,720)	751	2,321	(13,864)	31,874	97,602	1,657	99,259
Total comprehensive income for the period									
Loss for the period	-	-	-	-	-	(1,256)	(1,256)	(335)	(1,591)
Other comprehensive income									
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	4,198	-	4,198	81	4,279
Exchange differences on monetary items forming part of net investments in foreign operations	-	-	-	-	(1,103)	-	(1,103)	-	(1,103)
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(1,229)	-	-	-	(1,229)	-	(1,229)
Arising from disposal of subsidiaries	-	-	-	-	40	-	40	19	59
Total other comprehensive income	-	-	(1,229)	-	3,135	-	1,906	100	2,006
Total comprehensive income for the period	-	-	(1,229)	-	3,135	(1,256)	650	(235)	415
Transactions with Owners, recorded directly in equity									
Contributions by and distributions to Owners									
Issuance of shares pursuant to the exercise of warrants	56	-	-	-	-	-	56	-	56
Issuance of shares pursuant to the vesting of share awards	-	-	-	-	-	-	-	-	-
- Value of employee services received	275	-	-	(275)	-	-	-	-	-
Value of employee services received for issue of share options	-	-	-	210	-	-	210	-	210
Final dividend of 0.13 cents per share in respect of 2011	-	-	-	-	-	(710)	(710)	-	(710)
Special dividend of 0.15 cents per share in respect of 2011	-	-	-	-	-	(819)	(819)	-	(819)
Total contributions by and distributions to Owners	331	-	-	(65)	-	(1,529)	(1,263)	-	(1,263)
Total transactions with Owners	331	-	-	(65)	-	(1,529)	(1,263)	-	(1,263)
Balance as at 31 December 2011	88,571	(11,720)	(478)	2,256	(10,729)	29,089	96,989	1,422	98,411

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

Group	Share capital \$'000	Capital reserve \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Exchange translation reserve \$'000	Accumulated profits \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
31 March 2012									
Balance as at 1 January 2012	88,571	(11,720)	(478)	2,256	(10,729)	29,089	96,989	1,422	98,411
Total comprehensive income for the period									
Loss for the period	-	-	-	-	-	(343)	(343)	(289)	(632)
Other comprehensive income									
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	(2,384)	-	(2,384)	(24)	(2,408)
Exchange differences on monetary items forming part of net investments in foreign operations	-	-	-	-	216	-	216	-	216
Net change in fair value of available-for-sale financial assets, net of tax	-	-	1,119	-	-	-	1,119	-	1,119
Total other comprehensive income	-	-	1,119	-	(2,168)	-	(1,049)	(24)	(1,073)
Total comprehensive income for the period	-	-	1,119	-	(2,168)	(343)	(1,392)	(313)	(1,705)
Transactions with Owners, recorded directly in equity									
Contributions by and distributions to Owners									
Issuance of shares pursuant to the exercise of warrants	202	-	-	-	-	-	202	-	202
Value of employee services received for issue of share options	-	-	-	55	-	-	55	-	55
Total contributions by and distributions to Owners	202	-	-	55	-	-	257	-	257
Total transactions with Owners	202	-	-	55	-	-	257	-	257
Balance as at 31 March 2012	88,773	(11,720)	641	2,311	(12,897)	28,746	95,854	1,109	96,963

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Equity

Company	Share capital \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Accumulated profits \$'000	Total equity \$'000
31 March 2011					
Balance as at 1 July 2010	86,855	237	1,018	15,571	103,681
Total comprehensive income for the period					
Profit for the period	-	-	-	219	219
Other comprehensive income					
Net change in fair value of available-for-sale financial assets, net of tax	-	1,195	-	-	1,195
Total other comprehensive income	-	1,195	-	-	1,195
Total comprehensive income for the period	-	1,195	-	219	1,414
Transactions with Owners, recorded directly in equity					
Contributions by and distributions to Owners					
Issuance of shares pursuant to the exercise of warrants	901	-	-	-	901
Issuance of shares pursuant to the exercise of share options					
- Exercise price	358	-	-	-	358
- Value of employee services received	116	-	(116)	-	-
Value of employee services received for issue of share options	-	-	557	-	557
Value of employee services received for issue of share awards	-	-	150	-	150
Final dividend of 0.15 cents per share in respect of 2010	-	-	-	(814)	(814)
Special dividend of 1.10 cents per share in respect of 2010	-	-	-	(5,969)	(5,969)
Total contributions by and distributions to Owners	1,375	-	591	(6,783)	(4,817)
Total transactions with Owners	1,375	-	591	(6,783)	(4,817)
Balance as at 31 December 2010	88,230	1,432	1,609	9,007	100,278
Balance as at 1 January 2011	88,230	1,432	1,609	9,007	100,278
Total comprehensive income for the period					
Loss for the period	-	-	-	(180)	(180)
Other comprehensive income					
Net change in fair value of available-for-sale financial assets, net of tax	-	9	-	-	9
Total other comprehensive income	-	9	-	-	9
Total comprehensive income for the period	-	9	-	(180)	(171)
Transactions with Owners, recorded directly in equity					
Contributions by and distributions to Owners					
Issuance of shares pursuant to the exercise of warrants	4	-	-	-	4
Value of employee services received for issue of share options	-	-	294	-	294
Value of employee services received for issue of share awards	-	-	79	-	79
Interim dividend of 0.13 cents per share in respect of 2011	-	-	-	(706)	(706)
Special dividend of 0.15 cents per share in respect of 2011	-	-	-	(814)	(814)
Total contributions by and distributions to Owners	4	-	373	(1,520)	(1,143)
Total transactions with Owners	4	-	373	(1,520)	(1,143)
Balance as at 31 March 2011	88,234	1,441	1,982	7,307	98,964

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Equity

Company	Share capital \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Accumulated profits \$'000	Total equity \$'000
31 March 2012					
Balance as at 1 July 2011	88,240	751	2,321	13,180	104,492
Total comprehensive income for the period					
Profit for the period	-	-	-	496	496
Other comprehensive income					
Net change in fair value of available-for-sale financial assets, net of tax	-	(1,229)	-	-	(1,229)
Total other comprehensive income	-	(1,229)	-	-	(1,229)
Total comprehensive income for the period	-	(1,229)	-	496	(733)
Transactions with Owners, recorded directly in equity					
Contributions by and distributions to Owners					
Issuance of shares pursuant to the exercise of warrants	56	-	-	-	56
Issuance of shares pursuant to the vesting of share awards	-	-	-	-	-
- Value of employee services received	275	-	(275)	-	-
Value of employee services received for issue of share options	-	-	210	-	210
Final dividend of 0.13 cents per share in respect of 2011	-	-	-	(710)	(710)
Special dividend of 0.15 cents per share in respect of 2011	-	-	-	(819)	(819)
Total contributions by and distributions to Owners	331	-	(65)	(1,529)	(1,263)
Total transactions with Owners	331	-	(65)	(1,529)	(1,263)
Balance as at 31 December 2011	88,571	(478)	2,256	12,147	102,496
Balance as at 1 January 2012	88,571	(478)	2,256	12,147	102,496
Total comprehensive income for the period					
Loss for the period	-	-	-	(2)	(2)
Other comprehensive income					
Net change in fair value of available-for-sale financial assets, net of tax	-	1,119	-	-	1,119
Total other comprehensive income	-	1,119	-	-	1,119
Total comprehensive income for the period	-	1,119	-	(2)	1,117
Transactions with Owners, recorded directly in equity					
Contributions by and distributions to Owners					
Issuance of shares pursuant to the exercise of warrants	202	-	-	-	202
Value of employee services received for issue of share options	-	-	55	-	55
Total contributions by and distributions to Owners	202	-	55	-	257
Total transactions with Owners	202	-	55	-	257
Balance as at 31 March 2012	88,773	641	2,311	12,145	103,870

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Group	1 January 2012	1 January 2011	1 July 2011	1 July 2010
	to 31 March 2012 \$'000	to 31 March 2011 \$'000	to 31 March 2012 \$'000	to 31 March 2011 \$'000
Operating Activities				
(Loss)/Profit for the period	(632)	525	(2,223)	5,497
Adjustments for:				
Allowance/(Reversal of allowance) for:				
- inventory obsolescence	47	(243)	1,552	(183)
- doubtful debts from trade receivables	-	115	80	253
Depreciation of property, plant and equipment	437	870	1,427	2,847
Interest income	(66)	(8)	(179)	(26)
Interest expense	52	93	191	329
Bad debts written off	3	2	5	2
Property, plant and equipment written off	-	-	-	7
Inventories written off	1	24	24	49
Gain on disposal of property, plant and equipment	(11)	(56)	(237)	(57)
Gain on disposal of asset classified as held for sale	-	-	-	(1,681)
Amortisation of intangible assets	118	113	396	332
Impairment losses on:				
- property, plant and equipment	35	-	208	-
- intangible assets	-	-	3	-
Government grant – Jobs Credit Scheme income	-	-	-	(8)
Grant income	-	(150)	-	(150)
Gain on disposal of subsidiaries	-	-	(49)	-
Restructuring cost reversed	-	-	(12)	-
Retrenchment benefits	-	-	250	-
Provision for other liabilities	-	-	150	-
Share-based payment expense	55	373	265	1,080
Fair value loss on initial recognition of loan and receivables	-	-	104	-
Share of results of associates and joint ventures (net of tax)	(74)	(54)	(350)	(417)
Income tax expense/(credit)	22	(88)	415	(232)
Operating (loss)/profit before working capital changes	(13)	1,516	2,020	7,642
Changes in working capital:				
Inventories	801	(622)	732	(1,532)
Project-in-progress	156	1,848	1,074	(786)
Amounts due from related parties (trade)	448	(105)	(109)	(101)
Amounts due to related parties (trade)	-	9	(7)	30
Trade and other receivables	(4,203)	(9,224)	556	(5,385)
Trade and other payables	2,147	5,329	(1,966)	4,362
Insurance claim received	-	-	-	2,751
Other liabilities paid ⁽²⁾	-	-	(40)	(223)
Restructuring and retrenchment costs paid	-	(51)	(24)	(229)
Release of pledged/(Placement of) deposits with financial institutions	4	213	(86)	1,089
Cash (used in)/generated from operations	(660)	(1,087)	2,150	7,618
Interest received	66	8	179	26
Interest paid	(33)	(56)	(124)	(198)
Income tax received/(paid)	5	(997)	(881)	(1,887)
Cash flows from operating activities	(622)	(2,132)	1,324	5,559

The accompanying notes form an integral part of these financial statements.

Group	Note	1 January 2012	1 January 2011	1 July 2011	1 July 2010
		to 31 March 2012 \$'000	to 31 March 2011 \$'000	to 31 March 2012 \$'000	to 31 March 2011 \$'000
Investing Activities					
Purchase of property, plant and equipment ⁽¹⁾		(660)	(171)	(1,683)	(973)
Purchase of intangible assets		(516)	(90)	(1,603)	(222)
Proceeds from disposal of property, plant and equipment		24	62	601	103
Purchase of other financial assets		-	-	(1,548)	-
Additional capital injection in associate		-	-	-	(196)
Acquisition of additional interest in associate		-	-	-	(149)
Proceed for disposal of asset classified as held for sale		-	-	-	4,359
Net cash outflow on disposal of subsidiaries		-	-	(711)	-
Amounts due from related parties (non-trade)		(91)	37	186	25
Cash flows from investing activities		(1,243)	(162)	(4,758)	2,947
Financing Activities					
Interest paid		(19)	(37)	(67)	(131)
Drawdown of bank loans		2,076	3,135	8,600	8,683
Repayment of bank loans		(2,903)	(4,523)	(9,282)	(13,569)
Repayment of hire purchase and finance lease creditors		(30)	(128)	(196)	(382)
Amounts due to related parties (non-trade)		(173)	135	(203)	198
Government grant – Jobs Credit Scheme received		-	-	-	8
Issuance of shares		202	4	258	1,263
Dividend paid		-	(1,520)	(1,529)	(8,303)
Cash flows from financing activities		(847)	(2,934)	(2,419)	(12,233)
Net decrease in cash and cash equivalents		(2,712)	(5,228)	(5,853)	(3,727)
Cash and cash equivalents at beginning of period		30,781	37,198	33,001	36,280
Effect of exchange rate changes on balances in foreign currencies		(486)	(195)	435	(778)
Cash and cash equivalents at end of period	7	27,583	31,775	27,583	31,775

⁽¹⁾ Property, plant and equipment amounting to \$Nil (31 March 2011: \$26,000) were acquired through hire purchase arrangements and financial leases.

⁽²⁾ Arising from fire incident in FY2009.

Disposal of subsidiaries

	1 July 2011 to 31 March 2012 \$'000	1 July 2010 to 31 March 2011 \$'000
Inventories	582	-
Trade and other receivables	1,956	-
Cash and cash equivalents	712	-
Trade and other payables	(1,257)	-
Amounts due to related parties	(2,100)	-
Non-controlling interests	19	-
Net identifiable assets disposed	(88)	-
Realisation of exchange translation reserves	40	-
Gain on disposal of subsidiaries	49	-
Cash proceed from disposal of subsidiaries	1	-
Less: Cash and cash equivalents disposed	(712)	-
Net cash outflow on disposal of subsidiaries	(711)	-

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

These notes form an integral part of the financial statements.

The announcement was authorised for issue by the directors on 9 May 2012.

1. Basis of Preparation

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those used in the audited financial statements for the year ended 30 June 2011. In addition, the Group has adopted new/revised FRS and INT FRS that have become effective for the financial year beginning 1 July 2011.

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

2. Changes in the Accounting Policies, Methods of Computation and Accounting Standards

From 1 July 2011, the Group has applied the revised FRS 24 *Related Party Disclosures (2010)* to identify parties that are related to the Group and to determine the disclosures to be made on transactions and outstanding balances, including commitments, between the Group and its related parties. FRS 24 (2010) improved the definition of a related party in order to eliminate inconsistencies and ensure symmetrical identification of relationships between two parties.

The adoption of FRS 24 (2010) affects only the disclosures made in the financial statements.

There is no financial effect on the results and financial position of the Group for the current and previous financial years. Accordingly, the adoption of FRS 24 (2010) has no impact on earnings per share.

3. Property, Plant and Equipment

Group	Leasehold land and building \$'000	Leasehold improve- ment \$'000	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Motor vehicles \$'000	Plant and machinery \$'000	Mechanical and electrical facilities \$'000	Assets under construct- ion \$'000	Total \$'000
31 March 2012										
Cost										
At 1 July 2011	1,777	4,238	628	889	4,320	299	32,091	191	1	44,434
Additions	160	281	-	15	129	-	1,098	-	-	1,683
Disposals/Write off	-	(1,205)	(44)	(9)	(98)	(36)	(368)	(99)	(1)	(1,860)
Arising from disposal of subsidiaries	-	(107)	(62)	(56)	(115)	(43)	(2,280)	-	-	(2,663)
Reclassification	-	-	-	-	-	-	92	(92)	-	-
Reclassification to intangible assets	-	-	-	-	(266)	-	-	-	-	(266)
Translation difference on consolidation	51	55	9	4	55	4	596	-	-	774
At 31 March 2012	1,988	3,262	531	843	4,025	224	31,229	-	-	42,102
Accumulated depreciation and impairment losses										
At 1 July 2011	181	3,695	524	789	3,901	237	29,317	171	-	38,815
Depreciation charge for the period	45	234	22	28	161	24	913	-	-	1,427
Impairment losses for the period	-	28	-	14	6	5	155	-	-	208
Disposals/Write off	-	(1,085)	(33)	(8)	(90)	(36)	(165)	(79)	-	(1,496)
Arising from disposal of subsidiaries	-	(107)	(62)	(56)	(115)	(43)	(2,280)	-	-	(2,663)
Reclassification	-	-	-	-	-	-	92	(92)	-	-
Reclassification to intangible assets	-	-	-	-	(260)	-	-	-	-	(260)
Translation difference on consolidation	12	50	9	3	51	3	553	-	-	681
At 31 March 2012	238	2,815	460	770	3,654	190	28,585	-	-	36,712
Carrying amount										
At 1 July 2011	1,596	543	104	100	419	62	2,774	20	1	5,619
At 31 March 2012	1,750	447	71	73	371	34	2,644	-	-	5,390

Company	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Total \$'000
31 March 2012				
Cost				
At 1 July 2011 and 31 March 2012	62	36	70	168
Accumulated depreciation				
At 1 July 2011	62	36	65	163
Depreciation charge for the period	-	-	3	3
At 31 March 2012	62	36	68	166
Carrying amount				
At 1 July 2011	-	-	5	5
At 31 March 2012	-	-	2	2

Leasehold land and building and plant and machinery of the Group with carrying amounts of \$Nil (30 June 2011: \$1,518,000) and \$Nil (30 June 2011: \$589,000), respectively, have been pledged to banks as securities for certain bank loans (Note 9).

The carrying amount of property, plant and equipment includes amount totalling \$93,000 (30 June 2011: \$308,000) for the Group in respect of assets acquired under hire purchase agreements and finance leases.

4. Intangible Assets

Group	Computer software \$'000	Technology licence \$'000	Intellectual property \$'000	Development expenditure \$'000	Goodwill \$'000	Total \$'000
31 March 2012						
Cost						
At 1 July 2011	591	1,919	5,805	881	27,129	36,325
Additions	6	-	73	1,524	-	1,603
Disposal	(1)	-	-	-	-	(1)
Arising from disposal of subsidiaries	(244)	-	-	-	-	(244)
Reclassification from property, plant and equipment	266	-	-	-	-	266
Translation difference on consolidation	4	34	103	19	190	350
At 31 March 2012	622	1,953	5,981	2,424	27,319	38,299
Accumulated amortisation and impairment losses						
At 1 July 2011	424	529	1,418	-	744	3,115
Amortisation for the period	84	75	229	8	-	396
Impairment losses for the period	3	-	-	-	-	3
Disposal	(1)	-	-	-	-	(1)
Arising from disposal of subsidiaries	(244)	-	-	-	-	(244)
Reclassification from property, plant and equipment	260	-	-	-	-	260
Translation difference on consolidation	2	9	25	-	-	36
At 31 March 2012	528	613	1,672	8	744	3,565
Carrying amount						
At 1 July 2011	167	1,390	4,387	881	26,385	33,210
At 31 March 2012	94	1,340	4,309	2,416	26,575	34,734

Company	Computer software \$'000
31 March 2012	
Cost	
At 1 July 2011 and 31 March 2012	21

Company	Computer software \$'000
Accumulated amortisation and impairment losses	
At 1 July 2011	19
Amortisation for the period	2
At 31 March 2012	<u>21</u>
Carrying amount	
At 1 July 2011	<u>2</u>
At 31 March 2012	<u>-</u>

5. Subsidiaries

A wholly owned subsidiary, iNETest Resources Pte Ltd has entered into an agreement with a third party to dispose all its interests in Testel Solutions Pte Ltd ("Testel") and Testel's subsidiaries for a cash consideration of S\$1,000 in Dec 2011.

6. Financial Assets

In October 2011, the Company purchased additional 49,948,000 shares in JEP Holding Ltd ("JEP") for a total consideration of \$1,548,000. This has resulted in the Company's interest in JEP to increase to 175,365,000 shares or 19.8% shareholding. With JEP's purchases of its shares from the open market and holding such shares as treasury shares, the Company's shareholding in JEP increased further to 20.04%.

In January 2012, the Company's investment in JEP has decreased from 20.0% to 18.9% as a result of allotment and issue of new ordinary shares as well as utilisation of its existing treasury shares by the investee for one of its investment activities. The Company's holding of the total number of shares in the investee remains at 175,365,000 ordinary shares.

7. Cash and Cash Equivalents

	Note	Group		Company	
		31 March 2012 \$'000	30 June 2011 \$'000	31 March 2012 \$'000	30 June 2011 \$'000
Cash at banks and in hand		22,563	28,673	3,202	6,440
Deposits with financial institutions		6,802	6,012	5,006	4,303
		<u>29,365</u>	<u>34,685</u>	<u>8,208</u>	<u>10,743</u>
Bank overdraft	9	(12)	-		
Deposits held as securities by financial institutions	9	(1,770)	(1,684)		
Cash and cash equivalents in the consolidated statement of cash flows		<u>27,583</u>	<u>33,001</u>		

8. Share Capital

	Group and Company 31 March 2012		Group and Company 31 March 2011	
	No. of share '000	Share capital \$'000	No. of share '000	Share capital \$'000
Fully paid ordinary shares, with no par value:				
Ordinary shares				
At 1 July 2011/2010	542,910	88,240	514,228	86,855
Issuance of shares pursuant to the exercise of:				
- warrants	1,599	56	25,752	901
- share options	-	-	2,650	474
- share awards	2,500	275	-	-
At 31 December 2011/2010	<u>547,009</u>	<u>88,571</u>	<u>542,630</u>	<u>88,230</u>
Issuance of shares pursuant to the exercise of:				
- warrants	5,785	202	121	4
At 31 March 2012/2011	<u>552,794</u>	<u>88,773</u>	<u>542,751</u>	<u>88,234</u>

The Group had not acquired any treasury shares for the financial period ended 31 March 2012. There are no treasury shares held by the Group as at 30 June 2011 and 31 March 2012.

Warrants

Warrants expired on 20 January 2012.

As at 31 March 2012, there were no outstanding warrants (31 March 2011: 8,676,000) which entitle warrant holders to subscribe Nil (31 March 2011: 8,676,000) new ordinary shares at the exercise price of \$0.035 per share.

Options

At the balance sheet date, there were 20,600,000 (31 March 2011: 23,050,000) and 18,550,000 (31 March 2011: 20,500,000) outstanding options with exercise price of \$0.135 per share and \$0.14 per share respectively.

Awards

On 1 July 2011, 2,500,000 shares were issued for the awards vested on 30 June 2011.

At balance sheet date, there were no outstanding awards (31 March 2011: 2,500,000).

9. Interest-Bearing Borrowings

Interest-bearing borrowings consist of the following:

	Note	Group		Company	
		31 March 2012 \$'000	30 June 2011 \$'000	31 March 2012 \$'000	30 June 2011 \$'000
Non-current liabilities					
Secured bank loans		-	29	-	-
Unsecured bank loans ⁽¹⁾		3,672	4,127	-	903
Obligations under hire purchase agreements and finance leases		88	116	-	-
		<u>3,760</u>	<u>4,272</u>	<u>-</u>	<u>903</u>
Current liabilities					
Bank overdraft	7	12	-	-	-
Secured bank loans		-	305	-	-
Unsecured bank loans ⁽¹⁾		5,022	4,889	1,234	1,301
Obligations under hire purchase agreements and finance leases		63	229	-	-
		<u>5,097</u>	<u>5,423</u>	<u>1,234</u>	<u>1,301</u>

⁽¹⁾ The unsecured bank loans of the Company are guaranteed by certain subsidiaries of the Company.

Maturity of liabilities (excluding finance lease liabilities)

	Group	
	31 March 2012 \$'000	30 June 2011 \$'000
Within 1 year	5,034	5,194
After 1 year but within 5 years	3,672	4,156
	<u>8,706</u>	<u>9,350</u>

The secured bank loans are secured on the following assets:

	Note	Group	
		31 March 2012 \$'000	30 June 2011 \$'000
Leasehold land and building	3	-	1,518
Plant and machinery	3	-	589
Deposits with financial institutions	7	1,770	1,684
Total carrying amount		<u>1,770</u>	<u>3,791</u>

Obligations under hire purchase agreements and finance leases:

Group	31 March 2012			30 June 2011		
	Principal \$'000	Interest \$'000	Payment \$'000	Principal \$'000	Interest \$'000	Payment \$'000
Repayable within 1 year	63	9	72	229	13	242
Repayable after 1 year but within 5 years	88	6	94	116	22	138
	<u>151</u>	<u>15</u>	<u>166</u>	<u>345</u>	<u>35</u>	<u>380</u>

10. Results from Operating Activities

Group	Note	1 January 2012	1 January 2011	1 July 2011	1 July 2010
		to 31 March 2012 \$'000	to 31 March 2011 \$'000	to 31 March 2012 \$'000	to 31 March 2011 \$'000
Other income					
Rental income from third parties		-	29	53	91
Gain on disposal of property, plant equipment		11	56	237	57
Reversal of restructuring cost		-	-	12	-
Gain on disposal of subsidiaries		-	-	49	-
Gain on disposal of asset classified as held for sale		-	-	-	1,681
Government grant – Jobs Credit Scheme		-	-	-	8
Grant income		-	150	-	150
Sundry income		2	34	225	259
		<u>13</u>	<u>269</u>	<u>576</u>	<u>2,246</u>
Other expense					
Allowance for doubtful debts from trade receivables		-	115	80	253
Allowance/(Reversal of allowance) for inventory obsolescence		47	(243)	1,552	(183)
Bad debts written off		3	2	5	2
Inventories written off		1	24	24	49
Depreciation of property, plant and equipment	3	437	870	1,427	2,847
Amortisation of intangible assets	4	118	113	396	332
Property, plant and equipment written off		-	-	-	7
Impairment losses on:					
- property, plant and equipment	3	35	-	208	-
- intangible assets	4	-	-	3	-
Retrenchment benefits		-	-	250	-
Provision for other liabilities		-	-	150	-
Fair value loss on initial recognition of loan and receivables		-	-	104	-
Share-based payment expense		55	373	265	1,080
Exchange loss, net		26	402	330	1,514

Depreciation expenses were lower in the current financial period as certain plant and machinery were fully depreciated towards the end of previous financial period.

11. Net Finance Income/(Expenses)

Group	1 January 2012	1 January 2011	1 July 2011	1 July 2010
	to 31 March 2012 \$'000	to 31 March 2011 \$'000	to 31 March 2012 \$'000	to 31 March 2011 \$'000
Finance income				
Interest income from:				
- financial institutions	14	8	52	26
- third party	16	-	16	-
Interest income arising from the unwinding of discount implicit in the third party receivable	36	-	111	-
	<u>66</u>	<u>8</u>	<u>179</u>	<u>26</u>
Finance expenses				
Interest expenses to:				
- hire purchase arrangements and finance leases	(3)	(9)	(20)	(34)
- financial institutions	(47)	(80)	(160)	(286)
- non-controlling interest	(2)	(2)	(7)	(2)
- an affiliate	-	(2)	(4)	(7)
	<u>(52)</u>	<u>(93)</u>	<u>(191)</u>	<u>(329)</u>
Net finance income/(expenses) recognised in the profit and loss	<u>14</u>	<u>(85)</u>	<u>(12)</u>	<u>(303)</u>

12. Income Tax Expense/(Credit)

Group	1 January 2012 to 31 March 2012 \$'000	1 January 2011 to 31 March 2011 \$'000	1 July 2011 to 31 March 2012 \$'000	1 July 2010 to 31 March 2011 \$'000
Current tax expense:				
- current year	140	395	499	866
- withholding tax	-	47	91	79
- (over)/under provision in prior year	(114)	5	(31)	4
	<u>26</u>	<u>447</u>	<u>559</u>	<u>949</u>
Deferred tax credit:				
- origination and reversal of temporary differences	(67)	(99)	(204)	(526)
- under/(over)provision of deferred tax liabilities in prior year	63	(12)	60	(23)
- benefit of tax losses recognised	-	(145)	-	(145)
- utilisation of previously unrecognised deferred tax assets	-	(279)	-	(487)
	<u>(4)</u>	<u>(535)</u>	<u>(144)</u>	<u>(1,181)</u>
Total income tax expense/(credit)	<u>22</u>	<u>(88)</u>	<u>415</u>	<u>(232)</u>

13. Earnings per Share

	1 January 2012 to 31 March 2012 \$'000	1 January 2011 to 31 March 2011 \$'000	1 July 2011 to 31 March 2012 \$'000	1 July 2010 to 31 March 2011 \$'000
Basic earnings per share is based on: (Loss)/Profit for the period attributable to Owners of the Company	(343)	901	(1,599)	6,274
	No. of shares '000	No. of shares '000	No. of shares '000	No. of shares '000
Weighted average number of:				
- shares outstanding during the period	547,009	542,630	542,910	514,228
- shares issued during the period				
- pursuant to the exercise of warrants	4,631	113	4,913	23,851
- pursuant to the exercise of options	-	-	-	1,513
- pursuant to the exercise of awards	-	-	2,500	-
	<u>551,640</u>	<u>542,743</u>	<u>550,323</u>	<u>539,592</u>

For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the dilutive share options, awards and warrants with the potential ordinary shares weighted for the period outstanding.

The effect of the exercise of warrants and awards on the weighted average number of ordinary shares is as follows:

	1 January 2012 to 31 March 2012 No. of shares '000	1 January 2011 to 31 March 2011 No. of shares '000	1 July 2011 to 31 March 2012 No. of shares '000	1 July 2010 to 31 March 2011 No. of shares '000
Weighted average number of shares issued, used in the calculation of basic earnings per share	551,640	542,743	550,323	539,592
Dilutive effect of warrants	-	6,448	-	13,198
Dilutive effect of awards	-	2,500	-	1,998
Weighted average number of ordinary shares (diluted)	<u>551,640</u>	<u>551,691</u>	<u>550,323</u>	<u>554,788</u>

As at 31 March 2012, 39,150,000 (31 March 2011: 43,550,000) options were excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

14. Net Asset Value per Share

	Group cents	Company cents
Net asset value per ordinary share based on issued share capital of the Company as at:		
(a) 31 March 2012	17.34	18.79
(b) 30 June 2011	17.98	19.25

15. Dividends

There was no dividend declared or recommended for the current financial period reported on or the corresponding period of the immediately preceding financial year.

16. Significant Related Party Transactions

Significant transactions with related parties are as follows:

Group	1 January 2012 to 31 March 2012 \$'000	1 January 2011 to 31 March 2011 \$'000	1 July 2011 to 31 March 2012 \$'000	1 July 2010 to 31 March 2011 \$'000
Sales to:				
- joint venture	6	-	178	7
- an associate	82	-	129	-
- other affiliate	61	23	713	23
Service income from an associate	-	63	28	146
Purchases from:				
- joint venture	-	-	-	(64)
- other affiliate	-	(2)	-	(29)
Management fees paid to:				
- an associate	(156)	-	(156)	-
- other affiliate	-	-	-	(23)
Rental expenses paid/payable to:				
- an associate	-	(9)	(3)	(28)
- non-controlling interests	(12)	(13)	(37)	(38)
- other affiliate	(49)	(41)	(112)	(102)
- a director	(30)	(30)	(89)	(89)
Interest expense paid to:				
- non-controlling interests	(2)	(2)	(7)	(2)
- affiliate ⁽¹⁾	-	(2)	(4)	(7)

⁽¹⁾ This relates to a corporation which a director of the Company had an interest during the financial period.

17. Interested Person Transactions

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

The Company does not have any general mandate from shareholders for interested person transaction.

18. Commitments

Lease Commitments

As at 31 March 2012, commitments of the Group for minimum lease payments under non-cancellable operating leases are as follows:

	Group	
	31 March 2012 \$'000	30 June 2011 \$'000
Receivable:		
Within 1 year	2	44
After 1 year but within 5 years	5	7
	7	51

Payable:

Within 1 year
After 1 year but within 5 years

Group	
31 March 2012	30 June 2011
\$'000	\$'000
1,500	2,278
1,436	1,480
<u>2,936</u>	<u>3,758</u>

Corporate guarantees

As at 31 March 2012, the Company provided corporate guarantee amounting to \$18,300,000 (30 June 2011: \$19,859,000) to banks for banking facilities of \$23,476,000 (30 June 2011: \$18,959,000) made available to its subsidiaries, of which the subsidiaries have utilised \$9,522,000 (30 June 2011: \$8,636,000).

19. Operating Segments**Analysis by Businesses**

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and Expense								
Total revenue from external customers	72,915	97,329	26,964	33,754	-	-	99,879	131,083
Inter-segment revenue	111	825	264	243	(375)	(1,068)	-	-
	<u>73,026</u>	<u>98,154</u>	<u>27,228</u>	<u>33,997</u>			<u>99,879</u>	<u>131,083</u>
Segment results	(4,007)	992	1,243	3,640	-	-	(2,764)	4,632
Unallocated corporate results							618	519
							(2,146)	5,151
Share of results of associates and joint ventures								
- allocated to reportable segments	219	293	199	124	-	-	418	417
- unallocated corporate & other							(68)	-
(Loss)/Profit before finance income/(expenses) and income tax							(1,796)	5,568
Finance income							179	26
Finance expenses							(191)	(329)
Income tax (expense)/credit							(415)	232
Non-controlling interests							624	777
(Loss)/Profit for the period							<u>(1,599)</u>	<u>6,274</u>

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	31 March 2012	30 June 2011	31 March 2012	30 June 2011	31 March 2012	30 June 2011	31 March 2012	30 June 2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets and Liabilities								
Segment assets	64,933	71,638	42,878	42,391	-	-	107,811	114,029
Investments in associates								
- allocated to reportable segment	2,191	1,874	6,235	6,043	-	-	8,426	7,917
Investments in joint ventures								
- allocated to reportable segment	126	174	-	-	-	-	126	174
- unallocated corporate & other							623	664
Tax receivables	79	39	-	3	-	-	79	42
Deferred tax assets	48	125	2,748	2,517	-	-	2,796	2,642
Unallocated corporate assets							15,805	16,850
Total assets							<u>135,666</u>	<u>142,318</u>

	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	31	30	31	30	31	30	31	30
	March	June	March	June	March	June	March	June
	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment liabilities	23,780	26,291	4,054	4,168	-	-	27,834	30,459
Interest-bearing borrowings	7,383	6,657	240	834	-	-	7,623	7,491
Income tax liabilities	154	459	839	826	-	-	993	1,285
Unallocated corporate liabilities							2,253	3,824
Total liabilities							<u>38,703</u>	<u>43,059</u>

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	31	31	31	31	31	31	31	31
	March	March	March	March	March	March	March	March
	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure: - allocated to reportable segments	536	770	2,750	451	-	-	<u>3,286</u>	<u>1,221</u>
Other non-cash items								
Depreciation of property, plant and equipment: - allocated to reportable segments	396	533	1,028	2,311	-	-	1,424	2,844
- unallocated corporate expenses							<u>3</u>	<u>3</u>
							<u>1,427</u>	<u>2,847</u>
Gain on disposal of property, plant and equipment: - allocated to reportable segments	(193)	(52)	(44)	(5)	-	-	<u>(237)</u>	<u>(57)</u>
Amortisation of intangible assets: - allocated to reportable segments	74	34	320	296	-	-	394	330
- unallocated corporate expenses							<u>2</u>	<u>2</u>
							<u>396</u>	<u>332</u>
Allowance/(Reversal of allowance) for doubtful debts from trade receivables: - allocated to reportable segments	90	-	(10)	253	-	-	<u>80</u>	<u>253</u>
Allowance/(Reversal of allowance) for inventory obsolescence: - allocated to reportable segments	1,309	(384)	243	201	-	-	<u>1,552</u>	<u>(183)</u>
Bad debts written off: - allocated to reportable segments	5	1	-	1	-	-	<u>5</u>	<u>2</u>
Inventories written off: - allocated to reportable segments	-	15	24	34	-	-	<u>24</u>	<u>49</u>
Property, plant and equipment written off: - allocated to reportable segments	-	7	-	-	-	-	<u>-</u>	<u>7</u>

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	31	31	31	31	31	31	31	31
	March	March	March	March	March	March	March	March
	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Impairment losses on property, plant and equipment:								
- allocated to reportable segments	208	-	-	-	-	-	208	-
Impairment losses on intangible assets:								
- allocated to reportable segments	3	-	-	-	-	-	3	-

Analysis by region

Group	Singapore		Other Asean Countries		China & Taiwan		USA		Europe		Other Regions		Consolidated	
	31	31	31	31	31	31	31	31	31	31	31	31	31	31
	March	March	March	March	March	March	March	March	March	March	March	March	March	March
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total revenue from external customers	32,134	35,945	22,454	24,000	24,352	39,829	13,061	16,384	2,642	2,955	5,236	11,970	99,879	131,083
	31	30	31	30	31	30	31	30	31	30	31	30	31	30
	March	June	March	June	March	June	March	June	March	June	March	June	March	June
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current segment assets	26,394	23,285	3,843	4,033	6,537	6,771	7,619	7,995	14	18	1,365	1,422	45,772	43,524
Investments in associates	-	-	2,191	1,874	-	-	-	-	-	-	6,235	6,043	8,426	7,917
Investments in joint ventures	-	-	126	174	623	664	-	-	-	-	-	-	749	838
Investments in other financial assets	5,787	4,389	-	-	-	-	-	-	165	125	-	-	5,952	4,514
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	2,804	2,653
Total non-current assets	32,181	27,674	6,160	6,081	7,160	7,435	7,619	7,995	179	143	7,600	7,465	63,703	59,446
	31	31	31	31	31	31	31	31	31	31	31	31	31	31
	March	March	March	March	March	March	March	March	March	March	March	March	March	March
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure	2,083	606	325	265	91	193	779	142	-	4	8	11	3,286	1,221

20. Subsequent events

Subsequent to the balance sheet date, the Group subscribed for additional 490,000 shares of Baht 10 each in its associated company, IRC Technologies Ltd. (IRC Thailand), for a total consideration of Baht 4.9 million (approximately SGD197,000). The consideration was paid by way of a conversion of inter-company balance of Baht 2.0 million and the balance of Baht 2.9 million was paid in cash. The Group's interest in IRC Thailand remains unchanged at 49% after the subscription.

**CONFIRMATION BY THE BOARD
PURSUANT TO RULE 705(5) OF THE SGX-ST LISTING MANUAL**

We, Chong Fook Choy and Chan Wai Leong, being Non-Executive Chairman and Chief Executive Officer of Ellipsiz Ltd (the "Company"), do hereby confirm on behalf of the Board of Directors of the Company, that to the best of our knowledge, nothing has come to our attention which may render the interim financial statements of the Company and of the Group for the 3rd quarter results ended 31 March 2012 to be false or misleading in any material aspect.

On behalf of the Board of Directors

A handwritten signature in black ink, appearing to read 'Chong Fook Choy', written over a light grey rectangular background.

*Chong Fook Choy
Non-Executive Chairman*

A handwritten signature in black ink, appearing to read 'Chan Wai Leong', written over a light grey rectangular background.

*Chan Wai Leong
Chief Executive Officer*

Singapore
9 May 2012



**Ellipsiz Ltd and its Subsidiaries
Registration Number: 199408329R**

Third Quarter Financial Statements and Dividend Announcement for
nine months ended

31 March 2012

Review and Commentary

- (A) A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (i) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors;**
 - (ii) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on; and**
 - (iii) any factors leading to material changes in contributions to turnover and earnings by the business or geographical segments.**

The following discussion is based on and should be read in conjunction with, the consolidated financial statements of Ellipsiz Ltd and its subsidiaries (the Group), including the notes thereto.

Results of Operations

Revenue and gross profits

The Group had revenue of \$99.9 million for the nine months ended 31 March 2012 (9MFY2012). This was a decline of 24% compared to the corresponding nine months of previous financial year. Both business segments attained lower revenue in 9MFY2012 with Probe Card solutions (PCS) experiencing a decrease of 20% and Distribution & Services solutions (DSS) had a decline of 25%.

The macroeconomic uncertainties, especially in the US and Europe; the excess inventories built up after the tight capacity situation in 2010; and the adoption of more conservative capital spending by some customers in view of the global uncertainties, had affected the performance of the Group and leading to lower revenue from operations in most of the regions. Keen price competition and currency risk continues to pose challenges to the Group.

Revenue for the three months ended 31 March 2012 (3QFY2012) was \$31.5 million, 28% decrease from corresponding quarter of previous financial year.

Gross profit attained in 9MFY2012 was \$19.9 million, a drop of 31% over \$28.9 million in 9MFY2011. Gross profit margin decreased by 2% to 20%. During the financial period, the Group has made the decision to cease one of its less profitable activities, the pump refurbishment activity in Taiwan. This resulted in the recording of a one-time impairment expense of \$1.7 million on the carrying amounts of related inventory as well as plant and equipment in the cost of sales. Excluding this one-time expense, the gross profit margin for the nine months ended 31 March 2012 was 22%.

Gross profit margin for 3QFY2012 was at 20% and this was consistent with the margin corresponding quarter of previous financial year.

Other income

Other income decreased by 74% from \$2.2 million in 9MFY2011 to \$0.6 million in 9MFY2012 mainly due to the non-recurrence of 9MFY2011's gain of \$1.7 million from the disposal of asset classified as held for sale.

Operating expenses

Total operating expenses decreased by 13% from \$26.0 million to \$22.6 million in 9MFY2012.

Included in 9MFY2012 operating expenses was a one-time expense of \$0.5 million comprised mainly employees severance cost and other related costs to cease the pump refurbishment activity in Taiwan.

Excluding the one-time expenses, the operating expenses in 9MFY2012 was \$22.1 million, a decrease of 15%. The capitalisation of certain development costs, the incurrence of lower exchange losses (9MFY2012: \$330,000 and 9MFY2011: \$1,514,000) and lower share-based payment expenses were the main causes for the decrease in operating expenses.

Finance expenses

Due to the lower interest-bearing borrowings, finance expenses incurred in 9MFY2012 was 42% lower than that incurred in the corresponding period of the previous financial year.

Share of results of associates and joint ventures

The Group recorded profits of \$467,000 from share of results from associates and losses of \$117,000 from share of results from its joint ventures for 9MFY2012.

Income taxes

In 9MFY2012, the Group recorded a tax expense of \$0.4 million, comprised mainly the financial period's current tax expense. This is partially offset by the reversal of deferred tax liabilities as a result of movement in temporary differences.

Net (loss)/profit attributable to Owners of the Company

The Group had net losses after taxes and non-controlling interests of \$1.6 million for the financial period as compared to the net profits of \$6.3 million in the corresponding period of previous financial year.

Current financial period's net losses included one-time expenses relating to the cessation of the Group's pump refurbishment activity in Taiwan that amounted to approximately \$2.2 million. Excluding the one-time expenses, the Group had a net profit of \$0.6 million in 9MFY2012. Net profits for the corresponding period in the previous financial year was \$4.6 million, after excluding the one-time gain of \$1.7 million on disposal of asset classified as held for sale. The lower gross profits mainly resulting from the decline in revenue, partially offset by the decrease in operating expenses, were the main causes that led to the negative variance of \$4.0 million in net profits.

Financial Conditions

Non-current assets

The non-current assets increased by 7% from \$59.4 million to \$63.7 million. This is attributable to share of results and translation gains relating to the Group's investment in associates, increase in trade and other receivables (non-current portion) as well as additional investment in financial assets during the financial period.

Current assets

Total current asset as at 31 March 2012 was \$72.0 million, a drop of 13% from \$82.9 million as at 30 June 2011. Decrease in project-in-progress due to completion of some projects, lower inventories and receivables levels as a result of lower activities and one-time impairment expense of inventories relating to pump refurbishment activity had contributed to the decrease in total current assets. The decrease in cash and cash equivalents was mainly due to the purchase of financial assets and payment of dividend.

Current liabilities and non-current liabilities

Total liabilities as at 31 March 2012 stood at \$38.7 million, a 10% decrease from \$43.1 million as at 30 June 2011. The decline was mainly attributed to decrease in trade and other payables as well as current tax payables.

Non-controlling interests

The decrease in the non-controlling interests was due to the share of losses during the financial period.

Liquidity and Capital Reserves

The net cash outflow of the Group for financial period ended 31 March 2012 was \$5.9 million. This can be accounted by:

- (a) cash inflow of \$1.3 million for operating activities;
- (b) cash outflow of \$4.8 million for investing activities; and
- (c) cash outflow of \$2.4 million for financing activities.

The operating profit before working capital changes in the financial period, coupled with the decreases in inventories and project-in-progress, led to the cash inflow from operating activities of \$1.3 million in 9MFY2012.

The purchase of additional plant and equipment, intangible assets and financial asset led to negative cashflow of \$4.8 million for investing activities, while payment of dividend during the financial period and net repayment of interest-bearing borrowings were the main reasons for the outflow of cash for financing activities.

As at 31 March 2012, the Group's cash and cash equivalents position (including fixed deposits held as securities) was \$29.4 million.

(B) Where a forecast, a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

(C) A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

We are cautious over our business prospects for the rest of 2012 amidst global uncertainties in the US, Europe and China that could unfold to potentially undermine the business environment. The twin evils of inflation and slowing growth are fuelling volatilities in the global economic and financial landscapes posing potential challenges to consumer confidence, and possibly limit consumer spending to the detriment of business activities, pricing and costs pressures. Though business momentum seemed to be picking up with semiconductor inventories expected to benefit from more smartphones, tablets, ultrabooks, Windows 8 launches in the second half of the year, spending budgets on R&D as well as on the building and expansion of their advance fabs (largely for 28nm process nodes or lower) at major foundries remain a calculated and cautious move. Hence, the Group would focus on its business fundamentals and operations re-engineering to harness its agility and strengthen for growth.