

BEYONICS TECHNOLOGY LIMITED
Full Year Financial Statements and Dividend Announcement for the Year Ended 31 July 2011
PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

- 1(a) An income statement and statement of comprehensive income, for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group Year Ended 31/07/2011 S\$'000	Group Year Ended 31/07/2010 S\$'000	Change %
Revenue	1,334,434	1,549,951	(13.9)
Cost of sales	(1,319,331)	(1,512,650)	(12.8)
Gross profit	15,103	37,301	(59.5)
Other Income	2,049	1,733	18.2
	17,152	39,034	(56.1)
General and administrative expenses	(28,279)	(25,808)	9.6
Selling and marketing expenses	(159)	(216)	(26.4)
(Loss)/Profit from operating activities	(11,286)	13,010	nm
Finance costs	(1,767)	(2,224)	(20.5)
(Loss)/Profit before taxation	(13,053)	10,786	nm
Taxation	(2,826)	(2,037)	38.7
(Loss)/Profit for the year	(15,879)	8,749	nm
Attributable to:			
Equity holders of the Company	(17,456)	6,938	nm
Non-controlling interests	1,577	1,811	(12.9)
	(15,879)	8,749	nm

Note:

nm - not meaningful

Statement of Comprehensive Income

	Group Year Ended 31/07/2011 S\$'000	Group Year Ended 31/07/2010 S\$'000
(Loss)/Profit, net of tax	(15,879)	8,749
Other comprehensive income:		
Foreign currency translation		
- share capital, capital reserves, and revenue reserve/accumulated losses of subsidiary companies	(4,233)	(958)
- long term intercompany loan	(20,939)	(10,225)
Loss on capital reserve from impairment of assets	-	(103)
Capital reserve arising from revaluation of fixed assets	11,572	-
Other comprehensive income for the year, net of tax	(13,600)	(11,286)
Total comprehensive income for the year	(29,479)	(2,537)
Total comprehensive income attributable to:		
Equity holders of the Company	(31,520)	(2,028)
Non-controlling interests	2,041	(509)
	(29,479)	(2,537)

Additional information for the income statement

	Group Year Ended 31/07/2011 S\$'000	Group Year Ended 31/07/2010 S\$'000
Depreciation of fixed assets	(29,276)	(33,901)
Interest on borrowings	(1,767)	(2,224)
Foreign exchange gain/(loss)	816	(1,769)
Gain on disposal of fixed assets and assets held for sale	452	91
Fixed assets written off	(334)	(72)
Impairment of fixed assets	(4,831)	(57)
Gain on revaluation of investment properties	48	238
Reversal of impairment loss on fixed assets	370	-
Cost of share-based payments	-	(48)
Interest income	219	118
Allowance for doubtful debts	(24)	(151)
(Allowance for inventory obsolescence)/Write back of allowance for inventory obsolescence	(320)	6

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group 31/07/2011 S\$'000	Group 31/07/2010 S\$'000	Company 31/07/2011 S\$'000	Company 31/07/2010 S\$'000
Non-Current Assets				
Fixed assets	189,018	217,773	-	-
Subsidiary companies	-	-	307,703	320,290
Investment securities	369	442	117	156
Investment properties	1,704	1,880	-	-
Intangible assets	20,054	20,054	-	-
Deferred tax assets	3,985	4,274	-	-
	215,130	244,423	307,820	320,446
Current Assets				
Assets held for sale	6,227	2,294	-	-
Inventories	66,105	83,782	-	-
Trade debtors	164,610	208,471	-	-
Other debtors	3,513	3,313	534	295
Other non-financial assets	6,199	7,121	23	12
Amounts due from subsidiary companies	-	-	-	2,466
Fixed deposits	7,198	7,860	-	32
Cash and bank balances	53,113	52,414	407	1,982
	306,965	365,255	964	4,787
Current Liabilities				
Trade creditors	174,846	216,135	-	-
Other creditors and accruals	18,751	16,712	992	857
Other non-financial liability	792	461	-	-
Amounts due to subsidiary companies	-	-	20,566	-
Finance lease creditors	39	41	-	-
Provision for taxation	1,178	3,040	15	15
Bank borrowings	48,125	50,865	39,438	41,267
	243,731	287,254	61,011	42,139
Net Current Assets/(Liabilities)	63,234	78,001	(60,047)	(37,352)
Non-Current Liabilities				
Finance lease creditors	142	105	-	-
Deferred tax liabilities	8,160	5,968	-	-
Bank borrowings	-	14,133	-	14,133
	8,302	20,206	-	14,133
Net Assets	270,062	302,218	247,773	268,961
Equity attributable to equity holders of the Company				
Share capital	254,022	254,022	254,022	254,022
Reserves	8,859	43,056	(6,249)	14,939
	262,881	297,078	247,773	268,961
Non-controlling interests	7,181	5,140	-	-
Total Equity	270,062	302,218	247,773	268,961

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31/07/2011		As at 31/07/2010	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
39	48,125	41	50,865

Amount repayable after one year

As at 31/07/2011		As at 31/07/2010	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
142	-	105	14,133

Details of any collateral

As at 31 July 2011, the Group's secured borrowings comprised outstanding hire purchase balances.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group Year Ended 31/07/2011 S\$'000	Group Year Ended 31/07/2010 S\$'000
Cash flow from operating activities:-		
(Loss)/Profit before taxation and non-controlling interests	(13,053)	10,786
Adjustments for:		
Depreciation of fixed assets	29,276	33,901
Cost of share-based payments	-	48
Reversal of impairment loss on fixed assets	(370)	-
Gain on revaluation of investment properties	(48)	(238)
Gain on disposal of fixed assets and assets held for sale	(452)	(91)
Fixed assets written off	334	72
Impairment of fixed assets	4,831	57
Interest expense	1,767	2,224
Interest income	(219)	(118)
Currency re-alignment	(7,198)	(3,254)
Operating profit before working capital changes	14,868	43,387
Decrease/(Increase) in inventories	17,677	(10,198)
Decrease in trade debtors	43,861	19,695
Decrease in other debtors and other non-financial assets	722	952
Decrease in trade creditors	(41,289)	(10,590)
Increase/(Decrease) in other creditors, accruals and non-financial liability	2,370	(1,169)
Cash generated from operations	38,209	42,077
Interest paid	(1,767)	(2,224)
Interest income	219	118
Tax paid	(4,399)	(2,427)
Net cash generated from operating activities	32,262	37,544
Cash flows from investing activities:-		
Proceeds from sale of fixed assets and assets held for sale	5,711	2,340
Purchase of fixed assets	(12,937)	(9,551)
Net cash used in investing activities	(7,226)	(7,211)
Cash flows from financing activities:-		
Payment of dividend	(2,677)	-
Payment of finance lease obligations	(41)	(40)
Repayment of short-term bank borrowings	-	(2,734)
Proceeds from short-term bank borrowings	11,394	-
Repayment of long-term bank borrowings	(28,267)	(28,267)
Net cash used in financing activities	(19,591)	(31,041)
Net increase/(decrease) in cash and cash equivalents	5,445	(708)
Cash and cash equivalents at beginning of the year	60,274	62,150
Effects of exchange rate changes on opening cash and cash equivalents	(5,408)	(1,168)
Cash and cash equivalents at end of the year	60,311	60,274

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from Capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

GROUP	Share capital S\$'000	Capital reserve S\$'000	Foreign currency translation reserve S\$'000	Share option reserve S\$'000	Revenue reserve S\$'000	Total Reserves S\$'000	Non-Controlling interests S\$'000	Total equity S\$'000
Balance as at 1 August 2010	254,022	16,667	(48,952)	2,779	72,562	43,056	5,140	302,218
Total Comprehensive income for the year	-	11,572	(25,636)	-	(17,456)	(31,520)	2,041	(29,479)
Payment of dividends	-	-	-	-	(2,677)	(2,677)	-	(2,677)
Balance as at 31 July 2011	254,022	28,239	(74,588)	2,779	52,429	8,859	7,181	270,062

GROUP	Share capital S\$'000	Capital reserve S\$'000	Foreign currency translation reserve S\$'000	Share option reserve S\$'000	Revenue reserve S\$'000	Total Reserves S\$'000	Non-Controlling interests S\$'000	Total equity S\$'000
Balance as at 1 August 2009	254,022	17,259	(40,089)	2,731	65,135	45,036	5,649	304,707
Total Comprehensive income for the year	-	(103)	(8,863)	-	6,938	(2,028)	(509)	(2,537)
Cost of share-based payments	-	-	-	48	-	48	-	48
Transfer of reserve on disposal	-	(489)	-	-	489	-	-	-
Balance as at 31 July 2010	254,022	16,667	(48,952)	2,779	72,562	43,056	5,140	302,218

COMPANY	Share capital S\$'000	Merger reserve S\$'000	Share option reserve S\$'000	Revenue reserve S\$'000	Total equity S\$'000
Balance as at 1 August 2010	254,022	25,036	2,779	(12,876)	268,961
Total Comprehensive income for the year	-	-	-	(18,511)	(18,511)
Payment of dividends	-	-	-	(2,677)	(2,677)
Balance as at 31 July 2011	254,022	25,036	2,779	(34,064)	247,773

COMPANY	Share capital S\$'000	Merger reserve S\$'000	Share option reserve S\$'000	Revenue reserve S\$'000	Total equity S\$'000
Balance as at 1 August 2009	254,022	25,036	2,731	(15,882)	265,907
Total Comprehensive income for the year	-	-	-	3,006	3,006
Cost of share-based payments	-	-	48	-	48
Balance as at 31 July 2010	254,022	25,036	2,779	(12,876)	268,961

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The Company did not issue any ordinary share during the year ended 31 July 2011. As at 31 July 2011, there were unexercised options for 27,849,623 (31 July 2010: 30,069,746) ordinary shares under the Beyonics Share Option Scheme 2000.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31/07/2011	31/07/2010
The total number of issued shares excluding treasury shares	535,383,701	535,383,701

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

None.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The same accounting policies and methods of computation as in the Group's most recently audited financial statements for the year ended 31 July 2010 have been applied.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Year Ended 31/07/2011	Year Ended 31/07/2010
Basic (loss)/earnings per ordinary share	(3.26) cents	1.30 cents
Diluted (loss)/earnings per ordinary share	(3.26) cents	1.30 cents

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year

Group	31/07/2011	31/07/2010
Net assets value per ordinary share	49.10 cents	55.49 cents
Company		
Net assets value per ordinary share	46.28 cents	50.24 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Group revenue of S\$1.33 billion for the financial year ended 31 July 2011 ("FY11") was lower as compared to the previous financial year ("FY10") of S\$1.55 billion mainly due to lower shipments to hard disk drive customers and a weak US dollar.

Revenue from the Electronics Manufacturing Services ("EMS") division decreased by 12.5% to S\$1.22 billion in FY11 as compared to S\$1.40 billion in FY10.

Revenue from the Precision Engineering Services ("PES") division decreased by 27.2% to S\$110.1 million in FY11 as compared to S\$151.3 million in FY10.

Lower capacity utilization coupled with high manufacturing costs and write off of moulds and toolings resulted in a decrease in the Group gross profit for FY11 by 59.5% to S\$15.1 million as compared to S\$37.3 million for FY10. Gross profit margin for FY11 was also lower at 1.1% compared to 2.4% in FY10.

Selling, General and Administrative expenses increased by 9.3% to S\$28.4 million compared to FY10 of S\$26.0 million due to a charge for impairment on fixed assets in the PES division of S\$4.8 million. Excluding this impairment charge, Selling, General and Administrative expenses decreased by 9.3% as compared to FY10 due to exchange gain.

Despite a Group loss before taxation in FY11, provision was made for taxation due to certain subsidiaries being profitable.

Finance costs decreased by 20.5% to S\$1.8 million due to lower bank borrowings.

Overall, the Group loss attributable to equity holders of the Company for FY11 amounted to S\$17.5 million as compared to a profit of S\$6.9 million in FY10. Accordingly, the basic loss per share for FY11 was (3.26) cents compared to earnings per share of 1.30 cents in FY10.

The lower balances in trade debtors, inventories and trade creditors were in line with the lower revenue and manufacturing activities.

The Group's continuing focus on working capital management resulted in lower bank borrowings as at 31 July 2011.

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

The Company issued a profit guidance on 21 September 2011.

10. A commentary at the date of the announcement of the 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

The business environment in our industry remains highly challenging and competitive with a sluggish US economy, the Eurozone crisis, inflation in Asia and volatile currencies. Continuing uncertain demand from our customers especially in the technologically challenged hard disk drive industry may result in lower sales. Generally higher manufacturing costs in countries where the Group operates are also making cost containment increasingly difficult. However, the Group will continue to focus on achieving higher productivity, reducing manufacturing costs and broadening customer base to reduce our reliance on the hard disk drive industry.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	First and Final
Dividend Type	Cash
Dividend Rate	0.5 cents per ordinary share
Tax Rate	One-tier tax exempt

(c) Date payable

Not Applicable.

(d) Books closure date

Not Applicable.

12. If no dividend has been declared/recommended, a statement to that effect

The Directors do not recommend any dividend to be paid for the financial year ended 31 July 2011.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

The Company does not have any interested person transaction in the financial year ended 31 July 2011 that is discloseable under Rule 920(1)(a)(ii) of the SGX-ST Listing Manual.

14. Negative confirmation pursuant to Rule 705(5)

Not Applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

	Precision Engineering		Electronics Manufacturing		Others		Elimination		Consolidation	
	2011 S\$'000	2010 S\$'000	2011 S\$'000	2010 S\$'000	2011 S\$'000	2010 S\$'000	2011 S\$'000	2010 S\$'000	2011 S\$'000	2010 S\$'000
Segment Revenue										
Sales to External Customers	110,135	151,328	1,224,299	1,398,623	-	-	-	-	1,334,434	1,549,951
Intersegment Sales	152	105	1,719	2,413	-	-	(1,871)	(2,518)	-	-
Total Revenue	110,287	151,433	1,226,018	1,401,036	-	-	(1,871)	(2,518)	1,334,434	1,549,951
(Loss)/Profit Before Interest and Taxation	(26,303)	(7,931)	14,080	20,733	937	208	-	-	(11,286)	13,010
Finance Costs									(1,767)	(2,224)
(Loss)/Profit Before Taxation									(13,053)	10,786
Taxation									(2,826)	(2,037)
Net (Loss)/Profit									(15,879)	8,749

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

See Section 8.

17. A breakdown of sales

	Latest Financial Year S\$'000	Previous Financial Year (S\$'000)	Increase / (Decrease) %
Sales reported for first half year	710,232	791,665	(10.3)
Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year	(7,084)	6,876	nm
Sales reported for second half year	624,202	758,286	(17.7)
Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(8,795)	1,873	nm

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Latest Full Year (S\$'000)	Previous Full Year (S\$'000)
Ordinary	-	2,677
Preference	-	-
Total:	-	2,677

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative or a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there is no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the position was held	Details of changes in duties and position held, if any, during the year
-	-	-	-	-

The Directors confirm that there are no persons occupying managerial positions in the Company or its principal subsidiaries who are related to a director or chief executive officer or substantial shareholder of the Company or its principal subsidiaries.

BY ORDER OF THE BOARD

Tay Peng Huat
Company Secretary
29/09/2011