

BEYONICS TECHNOLOGY LIMITED

Full Year Financial Statements And Dividend Announcement

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

	Group Year Ended 31/07/2007 S\$'000	Group Year Ended 31/07/2006 S\$'000	Change %
Revenue	870,582	1,037,395	(16.1)
Cost of sales	(814,755)	(979,597)	(16.8)
Gross profit	55,827	57,798	(3.4)
Other Income	1,330	1,427	(6.8)
	57,157	59,225	(3.5)
General and administrative costs	(26,072)	(28,301)	(7.9)
Selling and marketing expenses	(1,332)	(1,375)	(3.1)
Profit from operating activities	29,753	29,549	0.7
Finance costs	(3,319)	(1,476)	124.9
Profit before taxation	26,434	28,073	(5.8)
Taxation	(814)	(1,763)	(53.8)
Net profit for the year	25,620	26,310	(2.6)
Profit attributable to:			
Equity holders of the Company	25,348	26,608	(4.7)
Minority interests	272	(298)	(191.3)
	25,620	26,310	(2.6)

Additional information for the income statement

	Group Year Ended 31/07/2007 S\$'000	Group Year Ended 31/07/2006 S\$'000
Depreciation	(28,472)	(23,099)
Interest on borrowings	(3,319)	(1,476)
Foreign exchange loss	(2,045)	(1,665)
Gain from sale of fixed assets and assets held for sale	2,549	1,297
Fixed assets written off	(402)	(634)
Cost of share-based payment	(449)	(935)
Interest income	825	565
Allowance for doubtful debts written back	723	1,334
Write back of allowance/(Allowance) for stock obsolescence	515	(3)

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 31/07/2007 S\$'000	Group 31/07/2006 S\$'000	Company 31/07/2007 S\$'000	Company 31/07/2006 S\$'000
Non-Current Assets				
Fixed assets	237,285	215,177	-	-
Subsidiary companies	-	-	291,526	255,832
Investment securities	823	826	506	233
Investment properties	3,968	4,290	-	-
Intangible assets	19,217	19,217	-	-
	261,293	239,510	292,032	256,065
Current Assets				
Assets held for sale	-	2,244	-	-
Stocks	69,475	67,557	-	-
Trade debtors	99,240	109,036	-	-
Other debtors, deposits and prepayments	11,827	19,894	126	107
Amounts due from subsidiary companies	-	-	23,651	11,448
Investment securities	-	284	-	284
Fixed deposits	324	437	35	37
Cash and bank balances	67,890	52,800	11,940	623
	248,756	252,252	35,752	12,499
Current Liabilities				
Trade creditors	84,798	115,910	-	-
Other creditors and accruals	25,033	33,018	1,530	994
Finance lease creditors	30	27	-	-
Provision for taxation	2,745	1,402	44	144
Bank borrowings	102,550	56,395	57,400	8,200
	215,156	206,752	58,974	9,338
Net Current Assets/(Liabilities)	33,600	45,500	(23,222)	3,161
Non-Current Liabilities				
Finance lease creditors	137	164	-	-
Deferred taxation	267	2,863	-	-
	404	3,027	-	-
Net Assets	294,489	281,983	268,810	259,226
Equity attributable to equity holders of the Company				
Share capital	252,193	250,883	252,193	250,883
Reserves	36,782	25,858	16,617	8,343
	288,975	276,741	268,810	259,226
Minority interests	5,514	5,242	-	-
Total Equity	294,489	281,983	268,810	259,226

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

Amount repayable in one year or less, or on demand

As at 31/07/2007		As at 31/07/2006	
Secured	Unsecured	Secured	Unsecured
S\$'000 30	S\$'000 102,550	S\$'000 27	S\$'000 56,395

Amount repayable after one year

As at 31/07/2007		As at 31/07/2006	
Secured	Unsecured	Secured	Unsecured
S\$'000 137	S\$'000 -	S\$'000 164	S\$'000 -

Details of any collateral

As at 31 July 2007, the Group's secured borrowings comprised outstanding finance lease 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 31/07/2007 S\$'000	Group Year Ended 31/07/2006 S\$'000
Cash flows from operating activities:-		
Profit before taxation and minority interests	26,434	28,073
Adjustments for:		
Depreciation of fixed assets	28,472	23,099
Write off of investment securities	254	-
Gain from disposal of investment securities	(113)	-
Cost of share-based payment	449	935
Gain from sale of fixed assets and assets held for sale	(2,549)	(1,297)
Fixed assets written off	402	634
Interest expenses	3,319	1,476
Interest income	(825)	(565)
Dividend income	(1)	(47)
Currency re-alignment	318	(2,130)
Operating profit before working capital changes	56,160	50,178
Increase in stocks	(1,918)	(511)
Decrease in trade debtors	9,796	3,725
Decrease/(Increase) in other debtors, deposits and prepayments	9,007	(3,477)
Increase in trade creditors	(31,112)	(25,034)
(Decrease)/Increase in other creditors and accruals	(7,985)	5,733
Cash flows generated from operations	33,948	30,614
Interest paid	(3,319)	(1,476)
Interest income	825	565
Taxation paid	(2,067)	(1,222)
Net cash flows generated from operating activities	29,387	28,481
Cash flows from investing activities:-		
Purchase of fixed assets	(53,008)	(72,047)
Proceeds from sale of fixed assets	3,958	5,388
Proceeds from disposal of investment securities	397	100
Dividend income received	1	47
Net cash flows used in investing activities	(48,652)	(66,512)
Cash flows from financing activities:-		
Payment of finance lease obligations	(24)	(477)
Proceeds from bank borrowings	46,155	15,407
Proceeds from the exercise of share options	1,310	559
Payment of dividends	(13,199)	(10,559)
Net cash flows generated from financing activities	34,242	4,930
Net increase / (decrease) in cash and cash equivalents	14,977	(33,101)
Cash and cash equivalents at beginning of year	53,237	86,338
Cash and cash equivalents at end of the year	68,214	53,237
Cash and cash equivalents comprise the following balance sheet amounts :-		
Fixed Deposits	324	437
Cash and bank balances	67,890	52,800
	68,214	53,237

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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group Year Ended 31/07/2007 S\$'000	Group Year Ended 31/07/2006 S\$'000	Company Year Ended 31/07/2007 S\$'000	Company Year Ended 31/07/2006 S\$'000
Share capital				
Balance at beginning of year	250,883	131,584	250,883	131,584
Issuance of ordinary shares upon exercise of share option	1,310	411	1,310	411
Transfer from share premium account	-	118,888	-	118,888
Balance at end of year	252,193	250,883	252,193	250,883
Share premium				
Balance at beginning of year	-	118,740	-	118,740
Premium from issue of ordinary shares upon exercise of share options	-	148	-	148
Transfer to share capital account	-	(118,888)	-	(118,888)
Balance at end of year	-	-	-	-
Capital reserve				
Balance at beginning and end of year	7,369	7,369	-	-
Merger reserve				
Balance at beginning and end of year	-	-	25,036	25,036
Employee share option reserve				
Balance as at 1 August	2,363	1,428	-	-
Cost of share-based payment	449	935	-	-
Balance at end of year	2,812	2,363	-	-
Fair value adjustment reserve				
Opening balance at 1 August	(15,342)	(15,352)	(15,342)	(15,352)
Net change in the reserve	254	10	254	10
Balance at end of year	(15,088)	(15,342)	(15,088)	(15,342)

	Group Year Ended 31/07/2007 S\$'000	Group Year Ended 31/07/2006 S\$'000	Company Year Ended 31/07/2007 S\$'000	Company Year Ended 31/07/2006 S\$'000
Retained earnings / (Accumulated losses)				
Opening balance at 1 August	60,751	44,702	(1,351)	(6,066)
Profit for the year	25,348	26,608	21,219	15,274
Payment of dividends	(13,199)	(10,559)	(13,199)	(10,559)
Balance at end of year	72,900	60,751	6,669	(1,351)
Foreign currency translation reserve				
Balance at beginning of year	(29,283)	(20,714)	-	-
Exchange movement arising from translation of:				
share capital, capital reserves and retained earnings/accumulated losses of subsidiary companies	2,778	(3,779)	-	-
long term intercompany loans	(4,706)	(4,790)	-	-
Balance at end of year	(31,211)	(29,283)	-	-
Minority Interests				
Balance as at 1 August	5,242	5,552		
Loss for the year	272	(298)		
Net effect of exchange differences	-	(12)		
Balance at end of year	5,514	5,242	-	-

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 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

During the year, the Company issued 3,720,034 ordinary shares upon exercise of options granted under the Beyonics Share Option Scheme. As at 31 July 2007, there were unexercised options for 36,854,484 ordinary shares under the Beyonics Share Option Scheme 2000.

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 reviewed nor audited.

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 method of computation as in the Group's most recently audited financial statements for the financial year ended 31 July 2006 have been adopted.

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

Please refer to section 4 above.

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 31/07/2007	Year Ended 31/07/2006
Earnings per ordinary share	4.80 cents	5.04 cents
Diluted earnings per ordinary share	4.74 cents	5.04 cents

Earnings per ordinary share is calculated by dividing the net profit attributable to equity holders by the weighted average number of ordinary shares outstanding during the year.

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	31/07/2007	31/07/2006
Net assets value per ordinary share	54.35 cents	52.42 cents

Company

Net assets value per ordinary share	50.56 cents	49.10 cents
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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 for the financial year ended 31 July 2007 ("FY07") decreased by 16.1% to S\$870.6 million as compared to the previous financial year ("FY06") of S\$1.04 billion mainly due to lower revenue from the Electronic Manufacturing Services ("EMS") division.

Revenue from the EMS division decreased by 23.8% to S\$697.4 million in FY07 as compared to FY06 due to discontinuation of PCBA activities for one of our customers and lower sales of telecommunication products by another customer.

Revenue from the Precision Engineering Services ("PES") division increased by 41.9% to S\$173.2 million in FY07 as compared to FY06 mainly due to the healthy growth in the hard disk drive industry ("HDD").

Despite lower revenue, profit from operating activities for FY07 increased slightly to S\$29.8 million as compared to FY06 mainly due to better product mix and gain from disposal of fixed assets.

Finance costs increased by 124.9% to S\$3.3 million for FY07 due to higher bank borrowings and interest rates to finance the purchase of machinery and equipment.

The Group's profit attributable to equity shareholders of the Company for FY07 decreased by 4.7% to S\$25.3 million.

Basic earnings per share ("EPS") for FY07 decreased to 4.80 cents from 5.04 cents in FY06 mainly due to lower profit during the year.

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

Not applicable

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

We expect the Group to perform relatively well as we see increased production output from our recent investments in capacities and firmer demand from our existing customers including those in the HDD, healthcare and automotive industries. However, uncertainty due to recent consolidations of the manufacturing industry and the volatility in raw materials prices and exchange rates may affect our profitability.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend	First and Final
Dividend Type	Cash
Dividend Rate	2.0 cents per ordinary share
Tax Rate	One-tier tax exempt

(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	2.5 cents per ordinary share
Tax Rate	One-tier tax exempt

(c) Date payable

The date of dividend payment will be announced at a later date.

(d) Books closure date

Notice on the closure of the Share Transfer Books and Register of Members of the Company to determine shareholders' entitlement to the recommended first and final dividend will be announced later.

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

Not applicable

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

13. 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		Electronic Manufacturing		Others		Elimination		Consolidation	
	2007 S\$'000	2006 S\$'000	2007 S\$'000	2006 S\$'000	2007 S\$'000	2006 S\$'000	2007 S\$'000	2006 S\$'000	2007 S\$'000	2006 S\$'000
Segment Revenue										
Sales to External Customers	173,218	122,077	697,364	915,318	-	-	-	-	870,582	1,037,395
Intersegment Sales	59	5,996	1,994	362	-	-	(2,053)	(6,358)	-	-
Total Revenue	173,277	128,073	699,358	915,680	-	-	(2,053)	(6,358)	870,582	1,037,395
Profit Before Interest and Taxation	10,997	13,028	19,955	17,920	(1,199)	(1,399)	-	-	29,753	29,549
Finance Costs									(3,319)	(1,476)
Profit Before Taxation									26,434	28,073
Taxation									(814)	(1,763)
Net Profit									25,620	26,310

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

Refer to Section 8 above.

15. A breakdown of sales

	Latest Financial Year S\$'000	Previous Financial Year (S\$'000)	Increase / (Decrease) %
Sales reported for first half year	445,875	542,462	(17.8)
Operating profit after tax before deducting minority interests reported for first half year	12,122	13,240	(8.4)
Sales reported for second half year	424,707	494,933	(14.2)
Operating profit after tax before deducting minority interests reported for second half year	13,498	13,070	3.3

16. 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	10,685	13,199
Preference	0	0
Total:	10,685	13,199

BY ORDER OF THE BOARD

Tay Peng Huat
Company Secretary
21/09/2007