

BEYONICS TECHNOLOGY LIMITED

Third Quarter Financial Statements for the Period Ended 30/04/2009

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 3 Months Ended 30/04/2009 S\$'000	Group 3 Months Ended 30/04/2008 S\$'000	Change %	Group 9 Months Ended 30/04/2009 S\$'000	Group 9 Months Ended 30/04/2008 S\$'000	Change %
Revenue	352,077	462,347	(23.9)	1,174,422	931,629	26.1
Cost of sales	(345,875)	(449,610)	(23.1)	(1,151,145)	(891,574)	29.1
Gross profit	6,202	12,737	(51.3)	23,277	40,055	(41.9)
Other Income	452	528	(14.4)	1,454	2,041	(28.8)
	6,654	13,265	(49.8)	24,731	42,096	(41.3)
General and administrative expenses	(8,342)	(8,760)	(4.8)	(17,394)	(27,109)	(35.8)
Selling and marketing expenses	(38)	(208)	(81.7)	(135)	(639)	(78.9)
(Loss)/Profit from operating activities	(1,726)	4,297	nm	7,202	14,348	(49.8)
Finance costs	(882)	(971)	(9.2)	(2,878)	(2,752)	4.6
(Loss)/Profit before taxation and minority interests	(2,608)	3,326	nm	4,324	11,596	(62.7)
Taxation	(59)	(172)	(65.7)	(1,003)	(879)	14.1
(Loss)/Profit after taxation	(2,667)	3,154	nm	3,321	10,717	(69.0)
Attributable to:						
Equity holders of the Company	(2,608)	3,166	nm	3,383	10,688	(68.3)
Minority interests	(59)	(12)	391.7	(62)	29	nm
	(2,667)	3,154	nm	3,321	10,717	(69.0)

Note: "nm" denotes "not meaningful"

Additional information for the income statement

	3 Months Ended 30/04/2009 S\$'000	3 Months Ended 30/04/2008 S\$'000	9 Months Ended 30/04/2009 S\$'000	9 Months Ended 30/04/2008 S\$'000
Depreciation	(9,444)	(8,568)	(28,362)	(23,759)
Interest on borrowings	(882)	(971)	(2,878)	(2,752)
Foreign exchange (loss)/gain	(1,333)	(1,736)	3,763	(7,478)
(Loss)/gain on disposal of fixed assets	(158)	12	(153)	33
Fixed assets written off	-	-	(126)	-
Cost of share-based payment	(17)	(73)	(193)	(219)
Interest income	31	156	368	669
(Allowance)/write back of allowance for doubtful debts	(34)	-	(78)	124
(Allowance)/Write back of allowance for stock obsolescence	(191)	51	(315)	(51)

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 30/04/2009 S\$'000	Group 31/07/2008 S\$'000 (Restated)	Company 30/04/2009 S\$'000	Company 31/07/2008 S\$'000
Non-Current Assets				
Fixed assets	259,306	258,676	-	-
Subsidiary companies	-	-	324,068	320,249
Investment securities	546	481	233	195
Investment properties	4,560	4,176	-	-
Intangible assets	20,008	19,217	-	-
Deferred tax assets	6,383	6,514	-	-
	290,803	289,064	324,301	320,444
Current Assets				
Stocks	80,212	88,914	-	-
Trade debtors	221,646	277,127	-	-
Other debtors	4,162	4,689	547	225
Other non-financial assets	11,183	8,713	21	6
Amounts due from subsidiary companies	-	-	27,761	43,756
Fixed deposits	1,031	1,529	35	32
Cash and bank balances	67,145	47,102	10,232	587
	385,379	428,074	38,596	44,606
Current Liabilities				
Trade creditors	226,633	277,495	-	-
Other creditors and accruals	14,435	22,535	1,012	837
Other non-financial liability	1,507	1,136	-	-
Finance lease creditors	39	39	-	-
Provision for taxation	2,009	1,493	85	39
Bank borrowings	56,197	110,096	40,467	94,900
	300,820	412,794	41,564	95,776
Net Current Assets/(Liabilities)	84,559	15,280	(2,968)	(51,170)
Non-Current Liabilities				
Finance lease creditors	157	186	-	-
Deferred tax liabilities	10,496	10,394	-	-
Long term loans	52,367	-	52,367	-
	63,020	10,580	52,367	-
Net Assets	312,342	293,764	268,966	269,274
Equity attributable to equity holders of the Company				
Share capital	254,022	254,022	254,022	254,022
Reserves	52,849	34,402	14,944	15,252
	306,871	288,424	268,966	269,274
Minority interests	5,471	5,340	-	-
Total Equity	312,342	293,764	268,966	269,274

Note: The balance sheet as at 31 July 2008 has been restated due to a prior year adjustment which arose as a result of the finalisation of the purchase price allocation in accordance with FRS 103 – Business Combination.

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

Amount repayable in one year or less, or on demand

As at 30/04/2009		As at 31/07/2008	
Secured	Unsecured	Secured	Unsecured
S\$'000 39	S\$'000 56,197	S\$'000 39	S\$'000 110,096

Amount repayable after one year

As at 30/04/2009		As at 31/07/2008	
Secured	Unsecured	Secured	Unsecured
S\$'000 157	S\$'000 52,367	S\$'000 186	S\$'000 -

Details of any collateral

As at 30 April 2009, the Group 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 3 Months Ended 30/04/2009 S\$'000	Group 3 Months Ended 30/04/2008 S\$'000
Cash flow from operating activities:-		
(Loss)/Profit before taxation and minority interests	(2,608)	3,326
Adjustments for:		
Depreciation of fixed assets	9,444	8,568
Loss/(gain) on sale of fixed assets	158	(12)
Cost of share-based payment	17	73
Interest expense	882	971
Interest income	(31)	(156)
Currency re-alignment	(638)	(2,269)
Operating profit before working capital changes	7,224	10,501
Decrease in stocks	13,222	3,221
Increase in trade debtors	(40,656)	(74,202)
Decrease /(Increase) in other debtors and other non-financial assets	535	(2,929)
Increase in trade creditors	41,003	78,739
(Decrease)/Increase in other creditors, accruals and non-financial liability	(1,416)	646
Cash generated from operations	19,912	15,976
Interest paid	(882)	(971)
Interest income	31	156
Tax refunded/(paid)	359	(234)
Net cash generated from operating activities	19,420	14,927
Cash flows from investing activities:-		
Purchase of fixed assets	(2,023)	(8,716)
Proceeds from sale of fixed assets	163	23
Net cash used in investing activities	(1,860)	(8,693)
Cash flows from financing activities:-		
Payment of finance lease obligations	(9)	(12)
Repayment of bank borrowings	(9,182)	(668)
Net cash used in financing activities	(9,191)	(680)
Net increase in cash and cash equivalents	8,369	5,554
Cash and cash equivalents at beginning of period	59,807	36,572
Cash and cash equivalents at end of the period	68,176	42,126
Cash and cash equivalents comprise the following balance sheet amounts :-		
Fixed Deposits	1,031	269
Cash and bank balances	67,145	41,857
	68,176	42,126

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 9 Mths to 30/04/2009 S\$'000	Group 9 Mths to 30/04/2008 S\$'000	Company 9 Mths to 30/04/2009 S\$'000	Company 9 Mths to 30/04/2008 S\$'000
Share capital				
Balance as at 1 August	254,022	252,482	254,022	252,482
Exercise of employee share options	-	1,198	-	1,198
Transfer from share option reserve	-	304	-	304
Balance at 31 October	254,022	253,984	254,022	253,984
Exercise of employee share options	-	31	-	31
Transfer from share option reserve	-	7	-	7
Balance at 31 January and 30 April	254,022	254,022	254,022	254,022
Capital reserve				
Balance at beginning and end of period	17,259	4,248	-	-
Merger reserve				
Balance at beginning and end of period	-	-	25,036	25,036
Employee share option reserve				
Balance at 1 August	2,520	2,523	2,520	2,523
Exercise of employee share options	-	(304)	-	(304)
Cost of share-based payment	89	73	89	73
Balance at 31 October	2,609	2,292	2,609	2,292
Exercise of employee share options	-	(7)	-	(7)
Cost of share-based payment	89	73	89	73
Balance at 31 January	2,698	2,358	2,698	2,358
Cost of share-based payment	17	73	17	73
Balance at 30 April	2,715	2,431	2,715	2,431
Revenue reserve				
Balance at 1 August - as previously stated	66,381	61,136	(12,176)	(8,602)
Prior year adjustment *	1,016	-	-	-
Balance at 1 August – as restated	67,397	61,136	(12,176)	(8,602)
Profit / (loss) for the period	5,608	3,635	5,065	(2,552)
Balance at 31 October	73,005	64,771	(7,111)	(11,154)
Payment of dividend	(6,425)	(10,708)	(6,425)	(10,708)
Profit / (loss) for the period	383	3,886	2,126	(1,295)
Balance at 31 January	66,963	57,949	(11,410)	(23,157)
(Loss) / profit for the period	(2,608)	3,166	(1,307)	(3,399)
Balance at 30 April	64,355	61,115	(12,717)	(26,556)

	Group 9 Mths to 30/04/2009 S\$'000	Group 9 Mths to 30/04/2008 S\$'000	Company 9 Mths to 30/04/2009 S\$'000	Company 9 Mths to 30/04/2008 S\$'000
Fair value adjustment reserve				
Balance at 1 August	(128)	183	(128)	183
Net change in the reserve	(39)	39	(39)	39
Balance at 31 October	(167)	222	(167)	222
Net change in the reserve	-	(234)	-	(234)
Balance at 31 January	(167)	(12)	(167)	(12)
Net change in the reserve	77	(78)	77	(78)
Balance at 30 April	(90)	(90)	(90)	(90)
Foreign currency translation reserve				
Balance at 1 August	(52,646)	(31,211)	-	-
Exchange movement arising from translation of:				
share capital, capital reserves and revenue reserve/accumulated losses of subsidiary companies	3,904	(4,566)	-	-
long term intercompany loan	12,125	(6,259)	-	-
Balance at 31 October	(36,617)	(42,036)	-	-
Exchange movement arising from translation of:				
share capital, capital reserves and revenue reserve/accumulated losses of subsidiary companies	4,151	1,405	-	-
long term intercompany loan	3,588	(1,927)	-	-
Balance at 31 January	(28,878)	(42,558)	-	-
Exchange movement arising from translation of:				
share capital, capital reserves and revenue reserve/accumulated losses of subsidiary companies	(2,763)	(2,056)	-	-
long term intercompany loan	251	(7,974)	-	-
Balance at 30 April	(31,390)	(52,588)	-	-
Minority Interest				
Balance at 1 August	5,340	5,514	-	-
Net profit for the period	117	24	-	-
Foreign currency translation adjustment	194	(1)	-	-
Balance at 31 October	5,651	5,537	-	-
Net profit for the period	(120)	18	-	-
Balance at 31 January	5,531	5,555	-	-
Net profit for the period	(59)	(12)	-	-
Foreign currency translation adjustment	(1)	-	-	-
Balance at 30 April	5,471	5,543	-	-
Total	312,342	274,681	268,966	254,843

* This prior year adjustment arose as a result of the finalisation of the purchase price allocation in accordance with FRS 103 – Business Combination.

- 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**

The Company did not issue any ordinary share during the third quarter ended 30 April 2009. As at 30 April 2009, there were unexercised options for 32,430,255 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 2008 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**

	3 Mths Ended 30/04/2009	3 Mths Ended 30/04/2008	9 Mths Ended 30/04/2009	9 Mths Ended 30/04/2008
(Loss)/Earnings per share	(0.49) cents	0.59 cents	0.63 cents	2.00 cents
Diluted (loss)/earnings per share	(0.49) cents	0.59 cents	0.63 cents	2.00 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	30/04/2009	31/07/2008
Net assets value per ordinary share	57.32 cents	53.87 cents
Company		
Net assets value per ordinary share	50.24 cents	50.30 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

Due to the sharp downturn in the global economy, Group revenue for the quarter ended 30 April 2009 ("Q3 FY 09") decreased by 23.9% to S\$352.1 million compared to the corresponding period of the previous financial year ("Q3 FY08"). However, year-to-date Group revenue increased by 26.1% to S\$1.2 billion mainly due to 9 months revenue contribution of the PCBA business from Seagate compared to only 4 months in the last corresponding financial period.

Revenue from the Electronic Manufacturing Services ("EMS") division decreased by 22.1% to S\$326.3 million in Q3 FY09 compared to Q3 FY08 due to slow demand of customers' products. However, year-to-date revenue for the EMS division increased by 35.4% to S\$1.1 billion due to the revenue contribution from the PCBA business from Seagate as explained above.

The sharp economic downturn caused a significant contraction in demand in the hard disk drive industry resulting in the Precision Engineering Services ("PES") division suffering a significant decrease in revenue of 41.1% to S\$25.8 million in Q3 FY09 compared to Q3 FY08. As a result, year-to-date revenue for PES division also decreased by 28.6% to S\$97.2 million.

Year-to-date and Q3 FY09 gross profits decreased by 41.9% to S\$23.3 million and 51.3% to S\$6.2 million respectively compared to the corresponding periods of the previous financial year mainly due to the lower revenue from the PES division. Gross profit was correspondingly lower due to under utilization of capacity in which the underlying manufacturing overheads are largely fixed in nature. The Seagate PCBA business though contributed higher revenue has lower gross profit margin compared to the other businesses.

Year-to-date Selling, General and Administrative expenses decreased by 36.8% to S\$17.5 million mainly due to exchange gains (versus exchange losses in the corresponding period of the previous financial year) arising from inter-company loans and trade balances. However, this was partly offset by increases in general and administrative expenses from the Seagate PCBA operation.

Overall, the Group's year-to-date profit attributable to equity holders of the Company decreased by 68.3% to S\$3.4 million.

Basic loss per share ("EPS") for Q3 FY09 was (0.49) cents due to the loss for the quarter. Year-to-date EPS decreased to 0.63 cents from 2.00 cents.

The lower trade debtors' and trade creditors' balances were in line with the significant decline in revenue and manufacturing activities in Q3 FY 09 as explained above.

The Group's continuous focus on costs and cash flow management resulted in a higher cash balance and lower bank borrowings as at end of Q3 FY09.

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 25 May 2009.

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 continuing weak global economic environment which affected our performance in Q3 FY09 has no clear visibility of improvement in the near future. In such challenging environment, we will continue our efforts to reduce our overall costs and manage our cash flow to stay competitive while looking at opportunities to expand our customer base.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared/recommendeded, 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

Not applicable

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

Not applicable

15. A breakdown of sales

Not applicable

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	0	0
Preference	0	0
Total:	0	0

Confirmation By The Board of Directors

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the above unaudited financial results for Q3 FY09 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Tay Peng Huat
Company Secretary
11/06/2009