

BEYONICS TECHNOLOGY LIMITED

Third Quarter Financial Statements for the Period Ended 30/04/2007

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 30/04/2007 S\$'000	Group 3 Months Ended 30/04/2006 S\$'000	Change %	Group 9 Months Ended 30/04/2007 S\$'000	Group 9 Months Ended 30/04/2006 S\$'000	Change %
Revenue	213,472	245,735	(13.1)	659,347	788,197	(16.3)
Cost of sales	(198,983)	(231,753)	(14.1)	(616,778)	(745,194)	(17.2)
Gross profit	14,489	13,982	3.6	42,569	43,003	(1.0)
Other Income	286	183	56.3	1,145	689	66.2
	14,775	14,165	4.3	43,714	43,692	0.1
General and administrative costs	(6,879)	(7,135)	(3.6)	(21,039)	(20,952)	0.4
Selling and marketing expenses	(314)	(333)	(5.7)	(899)	(1,100)	(18.3)
Profit from operating activities	7,582	6,697	13.2	21,776	21,640	0.6
Finance costs	(1,014)	(408)	148.5	(2,358)	(957)	146.4
Profit before taxation	6,568	6,289	4.4	19,418	20,683	(6.1)
Taxation	(306)	(281)	8.9	(1,036)	(1,435)	(27.8)
Profit after taxation	6,262	6,008	4.2	18,382	19,248	(4.5)
Profit attributable to:						
Equity holders of the Company	6,168	6,150	0.3	18,232	19,418	(6.1)
Minority interests	94	(142)	(166.2)	150	(170)	(188.2)
	6,262	6,008	4.2	18,382	19,248	(4.5)

Additional information for the income statement

	3 Months Ended 30/04/2007 S\$'000	3 Months Ended 30/04/2006 S\$'000	9 Months Ended 30/04/2007 S\$'000	9 Months Ended 30/04/2006 S\$'000
Depreciation	(6,968)	(5,929)	(20,260)	(16,870)
Interest on borrowings	(1,014)	(408)	(2,358)	(957)
Foreign exchange loss	(623)	(1,137)	(2,294)	(2,294)
Gain from disposal of fixed assets	25	450	123	1,097
Fixed assets written off	(112)	-	(413)	-
Cost of share-based payment	(141)	(218)	(425)	(791)
Interest income	203	123	609	414
Write back of provision for doubtful debts	-	-	317	-
Write back/(Provision) for stock obsolescence	309	(58)	(37)	(242)

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 30/04/2007 S\$'000	Group 31/07/2006 S\$'000	Company 30/04/2007 S\$'000	Company 31/07/2006 S\$'000
Non-Current Assets				
Fixed Assets	232,230	215,177	-	-
Subsidiary companies	-	-	255,832	255,832
Investment securities	823	826	506	233
Investment properties	3,965	4,290	-	-
Intangible assets	19,217	19,217	-	-
	256,235	239,510	256,338	256,065
Current Assets				
Asset held for sale	2,244	2,244	-	-
Stocks	69,974	67,557	-	-
Trade debtors	116,309	109,036	-	-
Other debtors	17,965	19,894	290	107
Amount due from subsidiary companies	-	-	49,732	11,448
Investment securities	-	284	-	284
Fixed deposits	358	437	35	37
Cash and bank balances	52,551	52,800	2,443	623
	259,401	252,252	52,500	12,499
Current Liabilities				
Trade creditors	95,216	115,910	-	-
Other creditors and accruals	32,344	33,018	847	994
Finance lease creditors	29	27	-	-
Provision for taxation	2,183	1,402	44	144
Bank borrowings	99,684	56,395	60,959	8,200
	229,456	206,752	61,850	9,338
Net Current Assets/(Liabilities)	29,945	45,500	(9,350)	3,161
Non-Current Liabilities				
Finance lease creditors	144	164	-	-
Deferred taxation	2,723	2,863	-	-
	2,867	3,027	-	-
Net Assets	283,313	281,983	246,988	259,226
Equity Attributable to Equity Holders of the Company				
Share capital	250,883	250,883	250,883	250,883
Reserves	27,038	25,858	(3,895)	8,343
	277,921	276,741	246,988	259,226
Minority interests	5,392	5,242	-	-
Total Equity	283,313	281,983	246,988	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 30/04/2007		As at 31/07/2006	
Secured	Unsecured	Secured	Unsecured
S\$'000 29	S\$'000 99,684	S\$'000 27	S\$'000 56,395

Amount repayable after one year

As at 30/04/2007		As at 31/07/2006	
Secured	Unsecured	Secured	Unsecured
S\$'000 144	S\$'000 -	S\$'000 164	S\$'000 -

Details of any collateral

As at 30 April 2007, 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 30/04/2007 S\$'000	Group 3 Months Ended 30/04/2006 S\$'000
Cash flow from operating activities:-		
Profit before taxation and minority interests	6,568	6,289
Adjustments for:		
Depreciation of fixed assets	6,968	5,929
Write back of provision for impairment in investment securities	-	(73)
Gain on disposal of fixed assets	(25)	(450)
Fixed assets written off	112	-
Cost of share-based payment	141	218
Interest expense	1,014	408
Interest income	(203)	(123)
Currency re-alignment	2,395	1,115
Operating profit before working capital changes	16,970	13,313
(Increase)/Decrease in stocks	(597)	528
Increase in trade debtors	(8,775)	(1,913)
Increase in other debtors	(3,632)	(2,091)
Decrease in trade creditors	(995)	(1,548)
(Decrease)/Increase in other creditors and accruals	(1,528)	1,727
Cash generated from operations	1,443	10,016
Interest paid	(1,014)	(408)
Interest income	203	123
Taxation refunded/(paid)	153	(330)
Net cash provided from operating activities	785	9,401
Cash flows from investing activities:-		
Purchase of fixed assets	(7,470)	(13,444)
Proceeds from sale of fixed assets	43	547
Net cash used in investing activities	(7,427)	(12,897)
Cash flows from financing activities:-		
Payment of hire purchase obligations	(8)	(184)
Increase in bank borrowings	8,307	8,488
Proceeds from the exercise of share options	-	11
Net cash from financing activities	8,299	8,315
Net increase in cash and cash equivalents	1,657	4,819
Cash and cash equivalents at beginning of period	51,252	53,209
Cash and cash equivalents at end of the period	52,909	58,028
Cash and cash equivalents comprise the following balance sheet amounts :-		
Fixed Deposits	358	374
Cash and bank balances	52,551	57,654
	52,909	58,028

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 9 Mths to 30/04/2007 S\$'000	Group 9 Mths to 30/04/2006 S\$'000	Company 9 Mths to 30/04/2007 S\$'000	Company 9 Mths to 30/04/2006 S\$'000
Share Capital				
Balance as at 1 August	250,883	131,584	250,883	131,584
Issuance of ordinary shares during the period	-	400	-	400
Balance as at 31 October	250,883	131,984	250,883	131,984
Transfer from Share Premium account	-	118,888	-	118,888
Balance as at 31 January	250,883	250,872	250,883	250,872
Issuance of ordinary shares during the period	-	11	-	11
Balance as at 30 April	250,883	250,883	250,883	250,883
Share premium				
Balance as at 1 August	-	118,740	-	118,740
Premium from issue of ordinary shares upon exercise of share options	-	148	-	148
Balance as at 31 October	-	118,888	-	118,888
Transfer to Share Capital Account	-	(118,888)	-	(118,888)
Balance as at 31 January and 30 April	-	-	-	-
Capital reserves				
Balance as at beginning and end of period	7,369	7,369	-	-
Merger reserves				
Balance at beginning and end of period	-	-	25,036	25,036
Employee share option reserve				
Balance at 1 August	2,363	1,428	-	-
Cost of share-based payment	142	321	-	-
Balance at 31 October	2,505	1,749	-	-
Cost of share-based payment	142	252	-	-
Balance as at 31 January	2,647	2,001	-	-
Cost of share-based payment	141	218	-	-
Balance as at 30 April	2,788	2,219	-	-
Accumulated profits/(losses)				
Balance at 1 August	60,751	44,702	(1,351)	(6,066)
Profit / (loss) for the period	6,998	7,900	(310)	(424)
Balance at 31 October	67,749	52,602	(1,661)	(6,490)
Payment of dividend	(13,199)	(10,559)	(13,199)	(10,559)
Profit /(loss) for the period	5,066	5,368	1,759	(1,064)
Balance as at 31 January	59,616	47,411	(13,101)	(18,113)
Profit /(loss) for the period	6,168	6,150	(742)	(542)
Balance as at 30 April	65,784	53,561	(13,843)	(18,655)

	Group 9 Mths to 30/04/2007 S\$'000	Group 9 Mths to 30/04/2006 S\$'000	Company 9 Mths to 30/04/2007 S\$'000	Company 9 Mths to 30/04/2006 S\$'000
Fair value adjustment reserve				
Balance at 1 August	(15,342)	(15,352)	(15,342)	(15,352)
Net change in the reserve	78	15	78	15
Balance at 31 October	(15,264)	(15,337)	(15,264)	(15,337)
Net change in the reserve	20	51	20	51
Balance as at 31 January	(15,244)	(15,286)	(15,244)	(15,286)
Net change in the reserve	156	72	156	72
Balance as at 30 April	(15,088)	(15,214)	(15,088)	(15,214)
Foreign currency translation reserve				
Balance at 1 August	(29,283)	(20,714)	-	-
Exchange movement arising from translation of:				
share capital, capital reserves and revenue reserve/accumulated losses of subsidiary companies	(1,169)	1,453	-	-
long term intercompany loan	(881)	1,209	-	-
Balance at 31 October	(31,333)	(18,052)	-	-
Exchange movement arising from translation of:				
share capital, capital reserves and revenue reserve/accumulated losses of subsidiary companies	442	(3,986)	-	-
long term intercompany loan	(2,237)	(3,758)	-	-
Balance as at 31 January	(33,128)	(25,796)	-	-
Exchange movement arising from translation of:				
share capital, capital reserves and revenue reserve/accumulated losses of subsidiary companies	2,271	821	-	-
long term intercompany loan	(2,958)	(179)	-	-
Balance as at 30 April	(33,815)	(25,154)	-	-
Minority Interests				
Balance as at 1 August	5,242	5,552	-	-
Net profit for the period	34	54	-	-
Foreign currency translation adjustment	-	(12)	-	-
Balance as at 31 October	5,276	5,594	-	-
Net profit for the period	22	(82)	-	-
Foreign currency translation adjustment	1	(1)	-	-
Balance as at 31 January	5,299	5,511	-	-
Net profit for the period	94	(142)	-	-
Foreign currency translation adjustment	(1)	1	-	-
Balance as at 30 April	5,392	5,370	-	-
Total	283,313	279,034	246,988	242,050

- 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 2007. As at 30 April 2007, there were unexercised options for 32,934,518 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**

See 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**

	3 Mths Ended 30/04/2007	3 Mths Ended 30/04/2006	9 Mths Ended 30/04/2007	9 Mths Ended 30/04/2006
Earnings per ordinary share	1.17 cents	1.16 cents	3.45 cents	3.68 cents
Diluted earnings per ordinary share	1.17 cents	1.16 cents	3.45 cents	3.68 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	30/04/2007	31/07/2006
Net assets value per ordinary share	52.64 cents	52.42 cents
Company		
Net assets value per ordinary share	46.78 cents	49.10 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

Year-to-date and third quarter ended 30 April 2007 ("Q3 FY07") Group revenues decreased by 16.3% to S\$659.3 million and 13.1% to S\$213.5 million compared to the respective corresponding periods of the previous financial year mainly due to lower revenue from the Electronic Manufacturing Services ("EMS") division.

Revenue from the EMS division decreased by 20.0% to S\$169.7 million in Q3 FY07 compared to the corresponding quarter ("Q3 FY06") of the previous financial year due to the discontinuation of PCBA activities for one of our customers and lower sales of telecommunication products by another customer. Year-to-date revenue for EMS decreased by 24.1% to S\$530.4 million.

Revenue from the Precision Engineering Services ("PES") division increased by 30.4% to S\$43.8 million in Q3 FY07 compared to Q3 FY06. The increase was mainly due to the healthy growth in the hard disk drive ("HDD") industry. Year-to-date revenue for PES increased by 44.3% to S\$128.9 million.

Gross profit for Q3 FY07 increased by 3.6% to S\$14.5 million as compared to Q3 FY06 due to better product mix. Year-to-date gross profit of S\$42.6 million was comparable to the corresponding period of the previous financial year.

Finance costs increased by 148.5% in Q3 FY07 mainly due to higher bank borrowings and interest rates to finance the purchase of machinery and equipment.

The Group's profit attributable to equity holders of the Company for Q3 FY07 increased slightly by 0.3% as compared to Q3 FY06. Overall the Group's year-to-date profit attributable to equity holders of the Company decreased by 6.1% to S\$18.2 million.

Basic earnings per share ("EPS") in Q3 FY07 increased to 1.17 cents from 1.16 cents in Q3 FY06. Year-to-date EPS decreased to 3.45 cents from 3.68 cents mainly due to lower profit in the first half year of FY07.

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 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 FY07 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Tay Peng Huat
Company Secretary
12/06/2007