

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

| (S\$'000) | Group | | Company | |
|---------------------------------------|----------------|----------------|---------------|---------------|
| | 30/9/2006 | 31/12/2005 | 30/9/2006 | 31/12/2005 |
| Current assets: | | | | |
| Cash | 4,480 | 11,414 | 151 | 415 |
| Trade receivables | 23,728 | 28,729 | - | - |
| Other receivables and prepayments | 5,847 | 6,031 | 1,962 | 3,370 |
| Inventories | 23,798 | 22,585 | - | - |
| Total current assets | 57,853 | 68,759 | 2,113 | 3,785 |
| Non-current assets: | | | | |
| Property, plant and equipment | 39,843 | 39,125 | - | - |
| Investments in subsidiaries | - | - | 41,277 | 58,154 |
| Due from subsidiaries | - | - | 2,062 | - |
| Investment in an associate | 24,643 | 22,326 | - | - |
| Goodwill on consolidation | 2,875 | 1,888 | - | - |
| Intangible assets | 820 | 873 | - | - |
| Deferred income tax | 232 | 51 | - | - |
| Long-term investments | 6,356 | 6,355 | 15,574 | - |
| Total non-current assets | 74,769 | 70,618 | 58,913 | 58,154 |
| Total assets | 132,622 | 139,377 | 61,026 | 61,939 |
| Current liabilities: | | | | |
| Interest-bearing loans and borrowings | 41,819 | 38,347 | 1,500 | - |
| Trade payables | 12,072 | 18,497 | - | - |
| Other payables | 1,723 | 3,260 | 2,621 | 1,439 |
| Provision for taxation | 145 | 393 | - | - |
| Obligations under finance leases | 619 | 1,108 | - | - |
| Total current liabilities | 56,378 | 61,605 | 4,121 | 1,439 |
| Non-current liabilities: | | | | |
| Obligations under finance leases | 300 | 592 | - | - |
| Loan from a subsidiary | - | - | 5,500 | 5,500 |
| Long-term bank loans | 5,581 | 4,291 | - | - |
| Total non-current liabilities | 5,881 | 4,883 | 5,500 | 5,500 |
| Equity | | | | |
| Share capital | 50,520 | 51,193 | 50,520 | 51,193 |
| Legal reserves | 2,299 | 2,239 | - | - |
| Foreign currency translation reserves | (6,353) | (4,220) | - | - |
| Share option reserves | 185 | 185 | 185 | 185 |
| Fair value reserve | - | - | 1,016 | - |
| Revenue reserves | 23,348 | 23,492 | (316) | 3,622 |
| | 69,999 | 72,889 | 51,405 | 55,000 |
| Minority interest | 364 | - | - | - |
| Total equity | 70,363 | 72,889 | 51,405 | 55,000 |
| Total liabilities and equity | 132,622 | 139,377 | 61,026 | 61,939 |
| Net current assets | 1,475 | 7,154 | (2,008) | 2,346 |

1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

| | |
|-----------------|------------------|
| As at 30/9/2006 | As at 31/12/2005 |
|-----------------|------------------|

| Secured | Unsecured | Secured | Unsecured |
|---------|-----------|---------|-----------|
| | | | |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 6,325 | 36,345 | 2,521 | 36,934 |

Amount repayable after one year

| | |
|-----------------|------------------|
| As at 30/9/2006 | As at 31/12/2005 |
|-----------------|------------------|

| Secured | Unsecured | Secured | Unsecured |
|---------|-----------|---------|-----------|
| | | | |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 5,881 | Nil | 4,883 | Nil |

Details of any collateral

The credit facilities of the subsidiaries are secured by the leasehold properties of Europtronic (Singapore) Pte Ltd and Europtronic Electronic (Shenzhen) Co., Ltd, and freehold properties of Europtronic Taiwan Ind Corp and Housing Technology Corp respectively.

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

| (\$'000) | Group 9 months ended 30/09/2006 | Group 9 months ended 30/09/2005 (restated) | Group 3 months ended 30/09/2006 | Group 3 months ended 30/09/2005 (restated) |
|---|--|--|--|--|
| Cash flows from operating activities: | | | | |
| Profit before taxation | 3,297 | 4,591 | 242 | 1,920 |
| Adjustments for: | | | | |
| Amortisation of intangible assets | 40 | - | 14 | - |
| Depreciation of property, plant and equipment | 2,539 | 2,347 | 727 | 787 |
| Interest income | (64) | (12) | (50) | (1) |
| Interest expense | 1,759 | 1,229 | 808 | 503 |
| Loss on disposal of property, plant and equipment | - | (58) | - | (55) |
| Share of results from an associate | (3,780) | (1,090) | (1,078) | (838) |
| Share of minority interests | 71 | - | 23 | - |
| Fair value of share options granted | - | 88 | - | - |
| Operating profit before working capital changes | 3,862 | 7,095 | 686 | 2,316 |
| Decrease/(Increase) in trade receivables | 5,923 | (7,156) | 484 | (5,110) |
| Decrease/(Increase) in other receivables and prepayments | 200 | (4,100) | 328 | (2,914) |
| Decrease/(Increase) in inventories | (577) | (2,830) | 1,146 | 205 |
| (Decrease)/Increase in trade payables | (7,245) | 7,771 | (4,400) | 3,311 |
| Decrease in other payables | (1,943) | 1,250 | (29) | 2,897 |
| Cash generated from operations | 220 | 2,030 | (1,785) | 705 |
| Interest paid | (1,759) | (1,229) | (808) | (503) |
| Interest received | 64 | 12 | 50 | 1 |
| Income tax paid | (314) | (456) | (42) | (109) |
| Net cash generated from operating activities | (1,789) | 357 | (2,585) | 94 |
| Cash flows from investing activities: | | | | |
| Purchase of property, plant and equipment | (1,527) | (3,572) | (640) | (845) |
| Proceeds from disposal of plant and equipment | 1,218 | - | - | - |
| Acquisition of a subsidiary, net of cash acquired | (2,493) | - | - | - |
| Deposit to property, plant and equipment | - | (262) | - | - |
| Purchase of long-term investments | 1 | (851) | 1 | - |
| Dividend received from associate | 768 | 768 | 768 | - |
| Dividend paid | (3,386) | (3,423) | (3,386) | - |
| Net cash used in investing activities | (5,419) | (7,340) | (3,257) | (845) |
| Cash flows from financing activities: | | | | |
| Proceeds from bank loans, net | 3,232 | 9,557 | 1,581 | (149) |
| Repayment of finance leases | (781) | (1,116) | (283) | (626) |
| Net cash generated from financing activities | 2,451 | 8,441 | 1,298 | (775) |
| Net effect of exchange rate changes in consolidating subsidiaries | (2,177) | 1,610 | 40 | 1,135 |
| Net decrease in cash and cash equivalents | (6,934) | 3,068 | (4,504) | (391) |
| Cash and cash equivalents at beginning of period | 11,414 | 6,417 | 8,984 | 9,876 |
| Cash and cash equivalents at end of period | 4,480 | 9,485 | 4,480 | 9,485 |
| CASH AND CASH EQUIVALENTS | | | | |
| Cash and bank balances | 4,480 | 9,484 | 4,480 | 9,484 |
| Fixed deposits | - | 1 | - | 1 |
| Bank overdraft | - | - | - | - |
| | 4,480 | 9,485 | 4,480 | 9,485 |

Note 1: Effect of acquisition of subsidiary

| | |
|---|---------|
| | S\$'000 |
| Current assets | 1,791 |
| Non-current assets | 2,948 |
| Current liabilities | (1,247) |
| Non-current liabilities | (1,509) |
| Net assets acquired | 1,983 |
| Goodwill on acquisition | 988 |
| Minority interests | (444) |
| Purchase consideration | 2,527 |
| Net cash of subsidiaries acquired | (34) |
| Net cash outflow on acquisition of subsidiaries | 2,493 |

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

| | Share capital | Share premium | Legal reserves | Foreign currency translation reserves | Share option reserves | Proposed Dividend | Revenue reserves | Fair value reserve | Minority interest | Total |
|-------------------------------------|---------------|---------------|----------------|---------------------------------------|-----------------------|-------------------|------------------|--------------------|-------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Group | | | | | | | | | | |
| As at 1 July 2005 | 34,231 | 16,888 | 1,955 | (4,509) | 185 | - | 19,654 | - | - | 68,404 |
| Profit for the period | - | - | - | - | - | - | 1,886 | - | - | 1,886 |
| Transfer | - | - | 104 | - | - | - | (104) | - | - | - |
| Translation adjustment | - | - | - | 394 | - | - | - | - | - | 394 |
| As at 30 September 2005 | 34,231 | 16,888 | 2,059 | (4,115) | 185 | - | 21,436 | - | - | 70,684 |
| As at 1 July 2006 | 50,520 | - | 2,310 | (6,435) | 185 | - | 26,481 | - | 379 | 73,440 |
| Profit for the period | - | - | - | - | - | - | 242 | - | (23) | 219 |
| Transfer | - | - | (11) | - | - | - | 11 | - | - | - |
| Translation adjustment | - | - | - | 82 | - | - | - | - | 8 | 90 |
| Dividend paid | - | - | - | - | - | - | (3,386) | - | - | (3,386) |
| Balance at 30 September 2006 | 50,520 | - | 2,299 | (6,353) | 185 | - | 23,348 | - | 364 | 70,363 |
| Company | | | | | | | | | | |
| As at 1 July 2005 | 34,231 | 16,888 | - | - | 185 | - | (96) | - | - | 51,208 |
| Loss for the period | - | - | - | - | - | - | (84) | - | - | (84) |
| As at 30 September 2005 | 34,231 | 16,888 | - | - | 185 | - | (180) | - | - | 51,124 |
| As at 1 July 2006 | 50,520 | - | - | - | 185 | - | 3,332 | - | - | 54,037 |
| Profit for the period | - | - | - | - | - | - | (262) | - | - | (262) |
| Dividend paid | - | - | - | - | - | - | (3,386) | - | - | (3,386) |
| Fair value reserve | - | - | - | - | - | - | - | 1,016 | - | 1,016 |
| Balance at 30 September 2006 | 50,520 | - | - | - | 185 | - | (316) | 1,016 | - | 51,405 |

Note: The balance standing to the credit share premium account as of 30 January 2006 has been transferred to the share capital account in accordance with the Companies (Amendments) Act No. 21 of 2005.

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 for 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

There were no changes in the Company's share capital since the end of both financial periods reported on.

The balance standing to the credit share premium account as of 30 January 2006 has been transferred to the share capital account in accordance with the Companies (Amendments) Act No. 21 of 2005.

Option granted under the Eurotronic Share Option Scheme outstanding as at 30 September 2006 is 1,322,600 (30 September 2005: 1,693,600)

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

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 Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the most recent audited financial statements as at 31 December 2005.

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

| | Group | |
|---|------------------------|------------------------|
| | 9 months ended 30/9/06 | 9 months ended 30/9/05 |
| Earnings per ordinary share for the financial year based on net profit attributable to the shareholders | | |
| (i) Based on weighted average number of ordinary shares in issue ; and | 0.98 cents | 1.28 cents |
| (ii) On a fully diluted basis | 0.98 cents | 1.28 cents |

| | Group | |
|---|------------------------|------------------------|
| | 3 months ended 30/9/06 | 3 months ended 30/9/05 |
| Earnings per ordinary share for the financial year based on net profit attributable to the shareholders | | |
| (i) Based on weighted average number of ordinary shares in issue ; and | 0.07 cents | 0.55 cents |
| (ii) On a fully diluted basis | 0.07 cents | 0.55 cents |

(i) EPS for the nine months ended September 30 2006 on existing issued share capital is computed based on the weighted average number of shares in issue during the period of 340,793,588 (30/9/2005 : 342,304,577) ordinary shares of S\$0.10 each.

(ii) EPS for the three months ended September 30 2006 on existing issued share capital is computed based on the weighted average number of shares in issue during the period of 338,554,577 (30/9/2005 : 342,304,577) ordinary shares of S\$0.10 each.

(iii) There is no dilution in respect of the shares option outstanding for the end of both financial periods reported on.

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 period reported on and (b) immediately preceding financial year

| | Group | | | Company | | |
|---|-------------|-------------|---------|-------------|-------------|--------|
| | 30/9/06 | 31/12/05 | Change | 30/9/06 | 31/12/05 | Change |
| Net asset value ("NAV") backing per ordinary share based on existing issued share capital as at the end of the period reported on | 20.45 cents | 21.29 cents | (3.48%) | 15.18 cents | 16.07 cents | (5.5%) |

Note:

The NAV per ordinary share is computed based on number of shares in issue of 338,554,577 (31/12/2005 : 342,304,577) as at 30 September 2006.

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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

Income Statement

Third quarter

The Group's turnover decreased by S\$8.0 million to S\$15.9 million in 3Q2006 compared to 3Q2005. In 3Q2006, certain existing production capacity had been reallocated from the existing customers to the new customer. However, longer ramp up production phase from the new customer has resulted in a lower turnover in the manufacturing business. The decrease in the distribution business was due mainly to a shortage of supply for distributed products in 3Q2006.

Compared to 3Q2005, the overall lower gross profit margin for 3Q2006 was attributed by an increase in raw material and labour cost as well as non-optimized production level.

Lower selling and distribution expenses were in line with lower sales base for 3Q2006. Administrative expenses decreased by S\$0.4m as a result of stringent cost control measures. Higher finance cost was due to increased interest rate.

The share of results from associate, Eucon Holding Limited ("Eucon") has increased by S\$0.3m. Profit before income tax decreased to S\$0.2 million in 3Q2006. The reduction in profitability was due to lower gross profit and higher finance cost.

First nine months

The Group's revenue decreased by S\$1.5 million to S\$57.9 million for the first nine months in 2006. The increase in distribution business was partially offset by the decrease in manufacturing business.

Compared to first nine months ended 30 September, 2005, the overall lower gross profit margin for the first nine months ended 30 September, 2006 was attributed by an increase in raw material and labour cost as well as non-optimized production level.

The share of results from an associate, Eucon, increased to S\$3.8 million for the first nine months in 2006.

Profit before tax decreased to S\$3.3 million for the first nine months in 2006. The decrease in profitability was due to lower gross profit and higher finance costs, which was however partially offset by lower administrative expenses and higher share of results from Eucon.

Balance Sheet

Inventories increased to S\$23.8 million. The increase in inventories was due to the delivery of certain customers' orders which have been rescheduled to Q42006. In addition, the higher stock levels were due to stock holding agreements with customers in order to provide delivery flexibility. The increase in inventories has in turn attributed to an increase in trade financing as at 30 September, 2006.

Trade receivables decreased to S\$23.7 million which was due mainly to payments received from the customers during the first nine months ended 30 September, 2006. The Group has implemented and will continue with its stringent debt collection policy.

Bank loans rose to S\$48.6 million due to the drawdown of trade financing facilities to finance the Group's working capital and this amount included a long term loan of S\$1.5 million from the Group's newly acquired subsidiary, Housing Technology Co., Ltd.

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

The Company has announced on 8 August, 2006 that the Group is to remain profitable in FY 2006. The Group's 3Q2006 results are in line with the announcement made.

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 Group will continue to actively work to broaden its customer base by targeting new market segments such as heavy duty equipment industry, renewable energy industry and other related industries.

The Group expects the ramp up production phase from the new customer to be completed by the end of FY2006 and this will benefit the manufacturing business in FY 2007.

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? No

(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 (2006) | Previous Full Year (2005) |
|------------|-------------------------|---------------------------|
| Ordinary | - | - |
| Preference | - | - |
| Total: | - | - |

Confirmation by the Board pursuant to Rule 705(4) of the Listing Manual of SGX-ST.

On behalf of the Board of Directors of the Company, we, Huang Shih An and Huang Chuang Shueh Ou, hereby confirm, to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the 3Q2006 financial results for the financial period ended 30 September, 2006 set out above to be false or misleading.

On behalf of the Board of Directors
Of Eurotronic Group Ltd

Huang Shih An
Chairman and CEO
10 November 2006

Huang Chuang Shueh Ou
Vice Chairman