

THIRD QUARTER AND NINE MONTHS FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

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

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

Group Income Statement for quarter ended 30 September 2011. These figures have not been audited.

| | 9 months ended 30/09/2011 S\$'000 | Group 9 months ended 30/09/2010 S\$'000 | % Increase/ (Decrease) | 3 months ended 30/09/2011 S\$'000 | Group 3 months ended 30/09/2010 S\$'000 | % Increase/ (Decrease) |
|---|--|---|------------------------------|--|---|------------------------------|
| Revenue | 70,058 | 98,366 | (28.78) | 19,228 | 34,971 | (45.02) |
| Cost of sales | (63,814) | (81,217) | (21.43) | (18,344) | (29,903) | (38.65) |
| Gross profit | 6,244 | 17,149 | (63.59) | 884 | 5,068 | (82.56) |
| Other income | 672 | 791 | (15.04) | 165 | 333 | (50.45) |
| Other gains - net | 2,006 | 154 | NM | 444 | 46 | NM |
| Expenses | | | | | | |
| - Distribution and marketing | (3,420) | (4,515) | (24.25) | (1,043) | (2,206) | (52.72) |
| - Administrative | (6,150) | (5,650) | 8.85 | (2,003) | (1,305) | 53.49 |
| - Finance | (1,381) | (1,339) | 3.14 | (464) | (431) | 7.66 |
| (Loss)/Profit before income tax | (2,029) | 6,590 | NM | (2,017) | 1,505 | NM |
| Income tax expense | (550) | (485) | 13.40 | (82) | (299) | (72.58) |
| Net (loss)/profit | (2,579) | 6,105 | NM | (2,099) | 1,206 | NM |
| Other comprehensive (losses)/income: | | | | | | |
| Financial assets, available-for-sale | | | | | | |
| - Reversal for fair value reserve | (154) | - | | - | - | |
| Reversal for revaluation reserve | (2,013) | - | | (1,068) | - | |
| Retained earnings/(losses) adjusted during the year | 32 | (66) | NM | - | - | |
| Currency translation differences arising from consolidation | (2,116) | (129) | NM | (546) | (1,835) | (70.25) |
| Other comprehensive losses, net of tax | (4,251) | (195) | NM | (1,614) | (1,835) | (12.04) |
| Total comprehensive (losses)/income | (6,830) | 5,910 | NM | (3,713) | (629) | NM |
| (Loss)/Profit attributable to: | | | | | | |
| Equity holders of the Company | (2,824) | 2,231 | NM | (2,105) | 577 | NM |
| Non-controlling interests | 245 | 3,874 | (93.68) | 6 | 629 | (99.05) |
| | (2,579) | 6,105 | NM | (2,099) | 1,206 | NM |
| Total comprehensive (losses)/income attributable to: | | | | | | |
| Equity holders of the Company | (7,075) | 2,244 | NM | (3,719) | (1,050) | NM |
| Non-controlling interests | 245 | 3,666 | (93.32) | 6 | 421 | (98.57) |
| | (6,830) | 5,910 | NM | (3,713) | (629) | NM |
| (Loss)/Profit per share for net (loss)/profit attributable to equity holders of the Company (cents per share) | | | | | | |
| - Basic | (0.42) | 0.46 | NM | (0.31) | 0.12 | NM |
| - Diluted | (0.42) | 0.46 | | (0.31) | 0.12 | |

1(a)(ii) Addition information to the income statement

Profit for the financial year ended 30 September is arrived at after (charging)/crediting the following:

| | Group | | |
|---|--|--|------------------------------|
| | 9 months ended 30/09/2011 S\$'000 | 9 months ended 30/09/2010 S\$'000 | % Increase/ (Decrease) |
| Amortisation of intangible assets | (285) | (18) | NM |
| Bad debt reversal / (written off) | 11 | (13) | NM |
| Depreciation of property, plant and equipment | (2,012) | (2,048) | (1.76) |
| Foreign exchange gain, net | 234 | 504 | (53.57) |
| Gain on disposal of property, plant and equipment | 1,695 | 46 | NM |
| Gain on disposal of investment securities | 77 | 108 | (28.70) |
| Interest expenses | (1,381) | (1,339) | 3.14 |
| Interest income | 58 | 9 | NM |
| Reversal for inventories obsolescence | 36 | 29 | 24.14 |
| Write back of allowance for impairment of doubtful receivables (Non-trade) | 12 | 12 | NM |

NM: Not meaningful

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

| Statement of Financial Position | Group | | Company | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 30/09/2011 S\$'000 | 31/12/2010 S\$'000 | 30/09/2011 S\$'000 | 31/12/2010 S\$'000 |
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 13,923 | 8,656 | 336 | 217 |
| Financial assets, available-for-sale | 1,113 | 1,421 | 1 | 1 |
| Trade and other receivables | 28,447 | 29,645 | 7,846 | 9,621 |
| Inventories | 24,592 | 26,049 | - | - |
| Other current assets | 2,282 | 2,407 | 27 | 15 |
| | 70,357 | 68,178 | 8,210 | 9,854 |
| Assets held for sale under FRS 105 | - | 3,070 | - | - |
| Total current assets | 70,357 | 71,248 | 8,210 | 9,854 |
| Non-current assets | | | | |
| Investment in subsidiaries | - | - | 49,962 | 47,402 |
| Investment properties | 243 | 383 | - | - |
| Financial assets, available-for-sale | 6,594 | 6,594 | - | - |
| Property, plant and equipment | 38,982 | 41,959 | - | - |
| Intangible assets | 3,703 | 3,504 | - | - |
| Total non-current assets | 49,522 | 52,440 | 49,962 | 47,402 |
| Total assets | 119,879 | 123,688 | 58,172 | 57,256 |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | 23,208 | 29,590 | 3,858 | 1,772 |
| Borrowings | 48,444 | 39,016 | - | - |
| Deferred income tax liabilities | 27 | 28 | - | - |
| Current income tax liabilities | 239 | 199 | - | 68 |
| Total current liabilities | 71,918 | 68,833 | 3,858 | 1,840 |
| Non-current liabilities | | | | |
| Borrowings | 10,143 | 8,037 | - | - |
| Deferred income | 15 | 16 | - | - |
| Deferred income tax liabilities | 529 | 529 | - | - |
| Total non-current liabilities | 10,687 | 8,582 | - | - |
| Total liabilities | 82,605 | 77,415 | 3,858 | 1,840 |
| NET ASSETS | 37,274 | 46,273 | 54,314 | 55,416 |
| EQUITY | | | | |
| Capital and reserves attributable to equity holders of the company | | | | |
| Share capital | 58,782 | 58,782 | 58,782 | 58,782 |
| Treasury shares | (569) | (318) | (569) | (318) |
| Statutory reserve | 2,385 | 1,607 | - | - |
| Currency translation reserve | (8,462) | (6,346) | - | - |
| Revaluation reserve | 11,274 | 13,287 | - | - |
| Fair value reserve | 556 | 710 | - | - |
| Share option reserve | 185 | 185 | 185 | 185 |
| Accumulated losses | (32,650) | (27,161) | (4,084) | (3,233) |
| | 31,501 | 40,746 | 54,314 | 55,416 |
| Non-controlling interests | 5,773 | 5,527 | - | - |
| Total equity | 37,274 | 46,273 | 54,314 | 55,416 |

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

| | Group | | | |
|--|-----------------|-----------|------------------|-----------|
| | As at 30/9/2011 | | As at 31/12/2010 | |
| | Secured | Unsecured | Secured | Unsecured |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| (a) Amount repayable in one year or less, or on demand | 9,931 | 38,513 | 8,938 | 30,078 |
| (b) Amount repayable after one year | 6,396 | 3,747 | 4,319 | 3,718 |

Details of any collateral

The credit facilities of the subsidiaries are secured by the leasehold properties of Europtronic (Singapore) Pte Ltd and UPT Crypson Component (Shanghai) Co., Ltd, as well as the freehold properties of Europtronic Taiwan Ind Corp and Housing Technology Corp respectively. In addition, it also secured by fixed deposit and shares from Financial assets, available-for-sale.

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

Statement of Cash Flows

Cash flows from operating activities:

| | | | | |
|--|---------|-------|---------|-------|
| Net (loss)/profit | (2,029) | 6,590 | (1,935) | 1,505 |
| Adjustments for: | | | | |
| - (Reversal) / Allowance for inventories obsolescence | (36) | (29) | 1 | 484 |
| - Amortisation of intangible assets | 285 | 18 | 145 | 5 |
| - Bad debts (reversal) / written off | (11) | 13 | (11) | 1 |
| - Depreciation of property, plant and equipment | 2,012 | 2,048 | 636 | 679 |
| - Interest expense | 1,381 | 1,339 | 464 | 431 |
| - Inventory written off | 2 | | 2 | |
| - Gain on disposal of financial assets, available-for-sale | (77) | - | - | - |
| - Gain on disposal of property, plant and equipment | (1,695) | (46) | (826) | (50) |
| - Interest income | (58) | (9) | (45) | (4) |
| - Write back of allowance for doubtful receivables (non-trade) | (12) | (12) | (4) | (4) |
| - Unrealised currency translation losses | 198 | (803) | (132) | (311) |

Changes in working capital

| | | | | |
|--------------------------------|---------|---------|---------|---------|
| - Inventories | 1,491 | (5,672) | 2,300 | (1,805) |
| - Trade and other receivables | 1,221 | (5,352) | 708 | (1,521) |
| - Other current assets | 125 | 88 | 302 | 1,038 |
| - Trade and other payables | (6,383) | 2,528 | (3,379) | 2,708 |
| Cash generated from operations | (3,586) | 701 | (1,774) | 3,156 |

Interest received

Interest paid

Income tax paid

Net cash (used in)/provided by operating activities

Cash flows from investing activities:

| | | | | |
|--|--------------|--------------|-----------|--------------|
| Additions of intangible assets | (621) | - | (33) | - |
| Additions of property, plant and equipment | (699) | (875) | (536) | (538) |
| Dividend payable | (1,919) | - | (723) | - |
| Proceeds from disposal of financial assets, available-for-sale | 231 | 108 | - | 4,200 |
| Proceeds from disposal of property, plant and equipment | 2,797 | 4,263 | 1,387 | - |
| Net cash provided by/(used in) investing activities | (211) | 3,496 | 95 | 3,662 |

Cash flows from financing activities:

| | | | | |
|---|--------------|--------------|--------------|----------------|
| Bank deposit pledged | (5,595) | - | (163) | - |
| Net proceeds from/(repayments of) borrowings | 11,293 | (655) | 3,170 | (2,954) |
| Net proceeds from/(repayments of) finance lease liabilities | 241 | (124) | (267) | (79) |
| Share buy back | (251) | - | - | - |
| Net cash provided by/(used in) financing activities | 5,688 | (779) | 2,740 | (3,033) |

Net decrease in cash and cash equivalents

Cash and cash equivalents

Beginning of financial year

End of financial year

| | Group | | Group | |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 9 months ended 30/09/2011 S\$'000 | 9 months ended 30/09/2010 S\$'000 | 3 months ended 30/09/2011 S\$'000 | 3 months ended 30/09/2010 S\$'000 |
| Net (loss)/profit | (2,029) | 6,590 | (1,935) | 1,505 |
| Adjustments for: | | | | |
| - (Reversal) / Allowance for inventories obsolescence | (36) | (29) | 1 | 484 |
| - Amortisation of intangible assets | 285 | 18 | 145 | 5 |
| - Bad debts (reversal) / written off | (11) | 13 | (11) | 1 |
| - Depreciation of property, plant and equipment | 2,012 | 2,048 | 636 | 679 |
| - Interest expense | 1,381 | 1,339 | 464 | 431 |
| - Inventory written off | 2 | | 2 | |
| - Gain on disposal of financial assets, available-for-sale | (77) | - | - | - |
| - Gain on disposal of property, plant and equipment | (1,695) | (46) | (826) | (50) |
| - Interest income | (58) | (9) | (45) | (4) |
| - Write back of allowance for doubtful receivables (non-trade) | (12) | (12) | (4) | (4) |
| - Unrealised currency translation losses | 198 | (803) | (132) | (311) |
| | (40) | 9,109 | (1,705) | 2,736 |
| Changes in working capital | | | | |
| - Inventories | 1,491 | (5,672) | 2,300 | (1,805) |
| - Trade and other receivables | 1,221 | (5,352) | 708 | (1,521) |
| - Other current assets | 125 | 88 | 302 | 1,038 |
| - Trade and other payables | (6,383) | 2,528 | (3,379) | 2,708 |
| Cash generated from operations | (3,586) | 701 | (1,774) | 3,156 |
| Interest received | 58 | 9 | 45 | 4 |
| Interest paid | (1,381) | (1,339) | (464) | (431) |
| Income tax paid | (511) | (614) | 35 | (376) |
| Net cash (used in)/provided by operating activities | (5,420) | (1,243) | (2,158) | 2,353 |
| Cash flows from investing activities: | | | | |
| Additions of intangible assets | (621) | - | (33) | - |
| Additions of property, plant and equipment | (699) | (875) | (536) | (538) |
| Dividend payable | (1,919) | - | (723) | - |
| Proceeds from disposal of financial assets, available-for-sale | 231 | 108 | - | 4,200 |
| Proceeds from disposal of property, plant and equipment | 2,797 | 4,263 | 1,387 | - |
| Net cash provided by/(used in) investing activities | (211) | 3,496 | 95 | 3,662 |
| Cash flows from financing activities: | | | | |
| Bank deposit pledged | (5,595) | - | (163) | - |
| Net proceeds from/(repayments of) borrowings | 11,293 | (655) | 3,170 | (2,954) |
| Net proceeds from/(repayments of) finance lease liabilities | 241 | (124) | (267) | (79) |
| Share buy back | (251) | - | - | - |
| Net cash provided by/(used in) financing activities | 5,688 | (779) | 2,740 | (3,033) |
| Net decrease in cash and cash equivalents | 57 | 1,474 | 677 | 2,982 |
| Cash and cash equivalents | | | | |
| Beginning of financial year | 4,187 | 7,322 | 3,567 | 5,814 |
| End of financial year | 4,244 | 8,796 | 4,244 | 8,796 |

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 | Treasury shares | Share option reserve | Statutory reserve | Foreign currency translation reserve | Fair value adjustment reserve | Revaluation reserve | Accumulated losses | Total | Non-controlling interests | Total equity |
|--|---------------|-----------------|----------------------|-------------------|--------------------------------------|-------------------------------|---------------------|--------------------|---------------|---------------------------|---------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Group | | | | | | | | | | | |
| 2011 | | | | | | | | | | | |
| Balance at 1 July 2011 | 58,782 | (569) | 185 | 2,388 | (7,916) | 556 | 12,342 | (29,825) | 35,943 | 5,762 | 41,705 |
| Changes in equity for the period: | | | | | | | | | | | |
| Dividend relating to 2010 paid | - | - | - | - | - | - | - | (723) | (723) | - | (723) |
| Total comprehensive income for the year | - | - | - | (3) | (546) | - | (1,068) | (2,102) | (3,719) | 11 | (3,708) |
| Balance at 30 September 2011 | 58,782 | (569) | 185 | 2,385 | (8,462) | 556 | 11,274 | (32,650) | 31,501 | 5,773 | 37,274 |
| 2010 | | | | | | | | | | | |
| Balance at 1 July 2010 | 58,782 | (318) | 185 | 1,526 | (4,715) | - | 13,713 | (25,192) | 43,981 | 4,914 | 48,895 |
| Changes in equity for the period: | | | | | | | | | | | |
| Transfer from retained profits to statutory reserves | - | - | - | (20) | - | - | - | - | (20) | - | (20) |
| Total comprehensive income for the year | - | - | - | - | (1,827) | - | - | 597 | (1,230) | 421 | (809) |
| Balance at 30 September 2010 | 58,782 | (318) | 185 | 1,506 | (6,542) | - | 13,713 | (24,595) | 42,731 | 5,335 | 48,066 |
| Company | | | | | | | | | | | |
| 2011 | | | | | | | | | | | |
| Balance at 1 July 2011 | 58,782 | (569) | 185 | - | - | - | - | (3,805) | 54,593 | - | 54,593 |
| Changes in equity for the period: | | | | | | | | | | | |
| Total comprehensive loss for the year | - | - | - | - | - | - | - | (279) | (279) | - | (279) |
| Balance at 30 September 2011 | 58,782 | (569) | 185 | - | - | - | - | (4,084) | 54,314 | - | 54,314 |
| 2010 | | | | | | | | | | | |
| Balance at 1 July 2010 | 58,782 | (318) | 185 | - | - | - | - | (4,508) | 54,141 | - | 54,141 |
| Changes in equity for the period: | | | | | | | | | | | |
| Total comprehensive loss for the year | - | - | - | - | - | - | - | (467) | (467) | - | (467) |
| Balance at 30 September 2010 | 58,782 | (318) | 185 | - | - | - | - | (4,975) | 53,674 | - | 53,674 |

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 well as the number of shares held 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

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

Option granted under the Europtronic Employees' Share Option Scheme outstanding as at 30 September 2011 was 1,543,600 (30 September 2010: 1,723,600).

The Company had 12,500,000 shares held as treasury shares.

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.

| | 9 months ended 30/09/2011 | Year ended 31/12/2010 |
|---|--------------------------------------|----------------------------------|
| Number of issued shares | 677,609,154 | 677,609,154 |
| Less: Number of treasury shares | (12,500,000) | (2,500,000) |
| Number of issued shares excluding treasury shares | 665,109,154 | 675,109,154 |
| | | |

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.

| | 9 months ended 30/09/2011 | Year ended 31/12/2010 |
|-----------------------------|--------------------------------------|----------------------------------|
| Balance brought forward | 2,500,000 | 2,500,000 |
| Purchase of treasury shares | 10,000,000 | - |
| Balance of treasury shares | 12,500,000 | 2,500,000 |
| | | |

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

Save as disclosed in point 5 below, the Group has applied the same accounting policies and methods of computation as in the Group's most recently audited financial statements for the financial year ended 31 December 2010.

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

In the current year, the Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2011. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

| | |
|---------------------------|--|
| Amendments to FRS 24 | Related party disclosures |
| Amendments to FRS 32 | Financial instruments: Presentation – Classification of right issues |
| Amendments to INT FRS 114 | Prepayments of a minimum funding requirement |
| INT FRS 119 | Extinguishing financial liabilities with equity instruments |

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

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 | |
|--|--------------|------------|
| | 30/09/2011 | 30/09/2010 |
| (Loss)/Earnings per ordinary share ("EPS") for the period based on net profit attributable to the shareholders | | |
| (i) Based on weighted average number of ordinary shares in issue ; and | (0.42 cents) | 0.46 cents |
| (ii) On a fully diluted basis | (0.42 cents) | 0.46 cents |

(i) EPS for quarter ended 30 September 2011 on existing issued share capital is computed based on the weighted average number of shares in issue during the year of 667,526,736 (30/09/2010 : 481,191,602) ordinary shares.

(ii) There is no dilution in respect of the share options outstanding for the end of both financial periods reported on.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

| | Group | | | Company | | |
|---|------------|------------|-----------------------|------------|------------|-----------------------|
| | 30/09/11 | 31/12/10 | Increase / (Decrease) | 30/09/11 | 31/12/10 | Increase / (Decrease) |
| Net asset value ("NAV") backing per ordinary share based on the total number of issued shares excluding treasury shares as at the end of the period reported on | 4.74 cents | 6.02 cents | (21.26%) | 8.17 cents | 8.21 cents | (0.49%) |

Note:

NAV per ordinary share is computed based on number of shares in issue of 665,109,154 (31/12/2010 : 675,109,154) as at 30 September 2011.

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

Comprehensive Income Statement (3Q 2011 vs 3Q 2010)

Group revenue decreased by 28.78% or S\$28.4 million from S\$98.4 million to S\$70.0 million mainly due to lower demand in the electronic components market under distribution business unit.

Gross profit decreased by S\$10.9 million due to weaker demand in electronic components market.

Distribution and marketing expenses decreased by 24.25% due mainly to reductions in entertainment, travelling expenses and staff costs in 3Q 2011, pursuant to the cost cutting exercise undertaken by the Group.

Administration expense increased by 8.85% due to higher bank charges and depreciation in 3Q 2011.

Finance expense increased by 3.14% due to higher bank interest on foreign currency borrowing in the Group.

Income tax expense increased by S\$0.1 million due mainly to the gain on disposal of factory premises in Shenzhen.

Overall the Group reported a loss after tax and before minority interests of S\$2.6 million in 3Q 2011, compared to a profit after tax and before minority interests of S\$6.1 million in 3Q 2010.

Balance Sheet

Cash and cash equivalents increased by S\$5.3 million in 3Q 2011 to S\$13.9 million due mainly to the increase in fixed deposits in Singapore, Suzhou and Hong Kong.

Trade and other receivables decreased by S\$1.2 million in 3Q 2011 due mainly to lower sales in 3Q 2011.

Inventory decreased by S\$1.5 million in 3Q 2011 compare to FY 2010 in line with the group's strategy to reduce its inventory level.

Assets held for sales decreased from S\$3.0 million in FY 2010 to S\$0 in 3Q 2011 due mainly to the disposal of factory building in Shenzhen.

Property, plant and equipment decreased from S\$42.0 million in FY 2010 to S\$39.0 million in 3Q 2011 due mainly to disposal of plant and machinery in Suzhou, Shenzhen and Taiwan.

Trade and other payables decreased by S\$6.4 million in 3Q 2011 due mainly to change of payment term which relates to the change of products mix.

Current and non current borrowing increased by S\$11.5 million in 3Q 2011 compared with FY 2010 due mainly to increased bank borrowings in Taiwan and higher finance lease in Suzhou.

Cash Flow Statement

Cash flow deficit from operations of S\$5.4 million in 3Q 2011 compared to S\$1.2 million in 3Q 2010 due mainly to early settlement to major suppliers.

Cash flow deficit from investing of S\$0.2 million in 3Q 2011 compared to a surplus of S\$3.5 million in 3Q 2010 due to increase in research and development in Suzhou and dividend payable in Project HK.

Cash flow surplus from financing of S\$5.7 million in 3Q 2011 compare to a deficit of S\$0.8 million in 3Q 2010 due mainly to increased borrowing in Suzhou and Taiwan.

Overall the Group recorded a net decrease in cash and cash equivalent of S\$4.6 million in 3Q 2011 compare to 3Q 2010.

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

No forecast or prospect statement was disclosed to shareholders previously.

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 electronic component market remains soft with limited visibility. Going forward, margins are likely to remain depressed in the light of exchange rate volatility and unfavorable economic parameters in markets, which the Group operates.

The manufacturing business unit's focus on industrial and power management clients have resulted in high manufacturing capacity utilization rates. However, fresh incoming orders for the manufacturing business unit are likely to remain low. The Group will continue to work closely with key suppliers and partners for its manufacturing business to reduce cost and improve the lead times of the raw material supply chain

Incoming orders for the Group's distribution business remains low and uncertain due to reduced consumer spending in Europe and US for electronic gadgets. The flood which inundated Thailand in the months of August till October 2011, will also impact the business unit's revenue in South-East Asia. Other South East Asian markets like Malaysia and Indonesia continues to offer growth potential.

Going forward, the Group will continue to review and dispose non-core assets to lighten its balance sheet and improve cash flow. Costs reduction and efficiency improvement measures are on-going.

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.

No dividend has been recommended by the Directors for the first quarter ended 30 September 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 is not required to obtain a general mandate from its shareholders for IPTs.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 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

| | Latest Full Year (2011) | Previous Full Year (2010) |
|------------|-------------------------|---------------------------|
| Ordinary | - | - |
| Preference | - | - |
| Total: | - | - |

Confirmation by the Board pursuant to Rule 705(5) 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 3Q 2011 and 9M 2011 financial statements for the financial period ended 30 September 2011 set out above to be false or misleading in any material aspect.

On behalf of the Board of Directors
of Eurotronic Group Ltd

Huang Shih An
Chairman
5 November 2011

Huang Chuang Shueh Ou
Vice Chairman