

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	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Current assets:				
Cash and bank balances	5,253	6,750	207	113
Trade receivables	26,626	22,534	-	-
Investment securities	6,439	15,884	4	6
Other receivables and prepayments	5,380	4,850	12,108	18,484
Inventories	18,123	14,974	-	-
Total current assets	61,821	64,992	12,319	18,603
Non-current assets:				
Property, plant and equipment	39,446	40,917	-	-
Investments in subsidiaries	-	-	42,404	41,675
Goodwill on consolidation	2,875	2,875	-	-
Intangible assets	787	819	-	-
Deferred taxation	210	252	-	-
Long-term investments	5,041	6,355	-	-
Total non-current assets	48,359	51,218	42,404	41,675
Total assets	110,180	116,210	54,723	60,278
Current liabilities:				
Interest-bearing loans and borrowings	41,101	46,599	2,096	1,500
Trade payables	14,508	11,260	-	-
Other payables	2,672	3,300	2,283	7,959
Provision for taxation	302	390	68	68
Obligations under finance leases	292	517	149	-
Total current liabilities	58,875	62,066	4,596	9,527
Non-current liabilities:				
Obligations under finance leases	482	220	334	-
Deferred taxation	18	18	-	-
Long-term bank loans	4,445	5,219	-	-
Total non-current liabilities	4,945	5,457	334	-
Equity				
Share capital	50,520	50,520	50,520	50,520
Treasury shares	(318)	-	(318)	-
Legal reserves	2,569	2,264	-	-
Foreign currency translation reserves	(6,989)	(6,938)	-	-
Share option reserves	185	185	185	185
Fair value adjustment reserves	(1,761)	2,191	(3)	(1)
Revenue reserves/(accumulated losses)	1,667	47	(591)	47
	45,873	48,269	49,793	50,751
Minority interest	487	418	-	-
Total equity	46,360	48,687	49,793	50,751
Total liabilities and equity	110,180	116,210	54,723	60,278
Net current assets	2,946	2,926	7,723	9,076

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

Amount repayable in one year or less, or on demand

As at 30/9/2007	As at 31/12/2006
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Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
5,815	35,211	6,287	40,829

Amount repayable after one year

As at 30/9/2007	As at 31/12/2006
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Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
4,927	Nil	5,439	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

(\$S'000)	Group 3 months ended 30/09/2007	Group 3 months ended 30/09/2006	Group 9 months ended 30/09/2007	Group 9 months ended 30/09/2006
Cash flows from operating activities:				
Profit before taxation	677	242	2,168	3,297
Adjustments for:				
Amortisation of intangible assets	4	14	15	40
Depreciation of property, plant and equipment	836	727	2,521	2,539
Interest income	(10)	(50)	(57)	(64)
Interest expense	777	808	2,372	1,759
Dividend income	-	-	(257)	-
Gain on disposal of property, plant and equipment	1	-	(292)	-
Gain on disposal of investment securities	-	-	(772)	-
Share of results from an associate	-	(1,078)	-	(3,780)
Operating profit before working capital changes	2,285	663	5,698	3,791
(Increase)/decrease in trade receivables	(1,438)	484	(4,092)	5,923
Increase in other receivables and prepayments	841	328	(530)	200
Increase in inventories	358	1,146	(3,149)	(577)
Increase/(decrease) in trade payables	427	(4,400)	3,248	(7,245)
(Decrease)/increase in other payables	59	(29)	(628)	(1,943)
Cash (used in)/generated from operations	2,532	(1,808)	547	149
Interest paid	(777)	(808)	(2,372)	(1,759)
Interest received	10	50	57	64
Income tax paid	(73)	(42)	(220)	(314)
Net cash (used in)/generated from operating activities	1,692	(2,608)	(1,988)	(1,860)
Cash flows from investing activities:				
Purchase of property, plant and equipment	(119)	(640)	(2,314)	(1,527)
Proceeds from disposal of plant and equipment	-	-	2,243	1,218
Proceeds from disposal of investment securities	-	-	6,244	-
Proceed from disposal of convertible bond	-	-	1,233	-
Purchase of long-term investments	-	1	-	1
Dividend received	-	-	257	-
Dividend received from associate	-	768	-	768
Dividend paid	-	(3,386)	-	(3,386)
Acquisition of a subsidiary, net of cash acquired (Note 1)	-	-	-	(2,493)
Net cash generated/(used in) from investing activities	(119)	(3,257)	7,663	(5,419)
Cash flows from financing activities:				
(Repayments)/proceeds from bank loans, net	(430)	1,581	(6,272)	3,232
Repayment of finance leases	346	(283)	37	(781)
Net cash (used in)/generated from financing activities	(84)	1,298	(6,235)	2,451
Net effect of exchange rate changes in consolidating subsidiaries	(644)	63	(937)	(2,106)
Net decrease in cash and cash equivalents	845	(4,504)	(1,497)	(6,934)
Cash and cash equivalents at beginning of period	4,408	8,984	6,750	11,414
Cash and cash equivalents at end of period	5,253	4,480	5,253	4,480
CASH AND CASH EQUIVALENTS				
Cash and bank balances	5,252	4,480	5,252	4,480
Fixed deposits	1	-	1	-
	5,253	4,480	5,253	4,480

Note 1: Acquisition of a subsidiary, net of cash acquired:

	S\$'000
Current assets	1,791
Non-current assets	2,948
Current liabilities	(1,247)
Non-current liabilities	(1,509)
Fair value of net assets acquired	<u>1,983</u>
Goodwill on acquisition	988
Minority interest	(444)
Purchase consideration	<u>2,527</u>
Cash of subsidiary acquired	<u>(34)</u>
Net cash outflow on acquisition of subsidiaries	<u><u>2,493</u></u>

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	Revenue reserves	Fair value adjustment reserves	Share buy back	Minority interest	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group										
Balance at 1 July 2006	50,520	-	2,310	(6,435)	185	26,481	-	-	379	73,440
Profit for the period	-	-	-	-	-	242	-	-	(23)	219
Transfers	-	-	(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
Balance at 1 July 2007	50,520	-	2,533	(6,976)	185	1,167	44	(376)	417	47,514
Profit for the financial year	-	-	-	-	-	536	-	-	70	606
Transfer from revenue reserve to legal reserve	-	-	36	-	-	(36)	-	-	-	-
Fair value changes	-	-	-	-	-	-	(1,805)	-	-	(1,805)
Translation adjustments	-	-	-	(13)	-	-	-	-	-	(13)
Share buy back	-	-	-	-	-	-	-	58	-	58
Balance at 30 September 2007	50,520	-	2,569	(6,989)	185	1,667	(1,761)	(318)	487	46,360
Company										
Balance at 1 July 2006	50,520	-	-	-	185	3,332	-	-	-	54,037
Loss 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
Balance at 1 July 2007	50,520	-	-	-	185	(514)	1	(376)	-	49,816
Loss for the period	-	-	-	-	-	(77)	-	-	-	(77)
Fair value changes	-	-	-	-	-	-	(4)	-	-	(4)
Share buy back	-	-	-	-	-	-	-	58	-	58
Balance at 30 September 2007	50,520	-	-	-	185	(591)	(3)	(318)	-	49,793

- 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.

Option granted under the Europrotronic Employees' Share Option Scheme outstanding as at 30 September 2007 is 1,067,000 (30 September 2006: 1,322,600)

As at 6 July 2007, the Company had allotted 500,000 shares held as treasury shares under the Europrotronic Performance Share Scheme.

- 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 2006.

- 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 30/9/2007	9 months ended 30/9/2006
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	0.57 cents	0.98 cents
(ii) On a fully diluted basis	0.57 cents	0.98 cents

	Group	
	3 months ended 30/9/2007	3 months ended 30/9/2006
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	0.16 cents	0.07 cents
(ii) On a fully diluted basis	0.16 cents	0.07 cents

- (i) EPS for the nine months ended 30 September 2007 on existing issued share capital is computed based on the weighted average number of shares in issue during the period of 337,042,848 (30/9/2006 : 340,793,588) ordinary shares of S\$0.10 each.
- (ii) EPS for the three months ended 30 September 2007 on existing issued share capital is computed based on the weighted average number of shares in issue during the period of 334,068,686 (30/9/2006 : 338,554,577) ordinary shares of S\$0.10 each.
- (iii) 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 issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group			Company		
	30/9/07	31/12/06	Change	30/9/07	31/12/06	Change
Net asset value ("NAV") backing per ordinary share based on existing issued share capital as at the end of the period reported on	13.63 cents	14.26 cents	(0.04%)	14.80 cents	14.99 cents	(0.01%)

Note:

NAV per ordinary share is computed based on number of shares in issue of 336,054,577 (31/12/2006 : 338,554,577) as at 30 September 2007.

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 ending 30 September 2007(3Q 2007)

Compared to 3Q 2006, Group turnover increased by S\$5.8 million or 36.6% to S\$21.6 million in 3Q 2007 as a result of the increase in both distribution and manufacturing businesses.

Compared to the same corresponding period last year, the overall gross profit margin in 3Q 2007 improved to 16.4% from 11.0% based on the product mix of 35% and 65% respectively for manufacturing and distribution.

Other income include realized exchange gain of S\$0.3 million.

Selling and distribution expenses increased by S\$0.3 million or 65% , which was in line with increase in revenue. Administrative expenses remained in check. Finance costs decreased by 3.8% due to repayment of borrowing and reduced interest rate.

Profit before tax increased by 179.8% to S\$0.7 million from S\$0.2 million reported in the same corresponding period last year. This improvement was due to improvement in sales margin and the Group's ability to pass on some cost increase to customers through adjustment in selling price.

Nine months ending 30 September 2007

The Group's revenue increase marginally by S\$2.1 million to S\$60 million year to date. The product mix between the manufacturing and distribution business segments remained stable at 35% and 65%.

The overall gross profit increase by S\$2.1 million and the overall gross profit margin increased to 16.2% from 13.2% for the same corresponding period last year. This was due mainly to the improvement in manufacturing segment with better cost control and selling price.

Other operating income for the period reported an increase by S\$1.6 million due mainly to the gain of S\$0.8 million from the disposal of 34,347,000 Eucon Holding Limited ("Eucon") Shares. In addition, the disposal of the Group's four office units, two units located in Taiwan and another two units located in Hong Kong resulted in a gain on disposal of S\$0.3 million.

Selling and distribution expenses increased by 11.7%, which was in line with increase in revenue. Higher administrative expenses were due mainly to an increase in professional expenses. Finance costs increased as a result of higher interest rate and higher utilization of banking facilities compared to the same corresponding period last year .

Profit before tax decreased to S\$2.1 million from S\$3.3 million reported in the same corresponding period last year . The decrease in profit was due to share of profit from an associate company, which accounted for S\$3.8 million for the same corresponding period last year.

The Group had since Q1 2007 ceased to report share of profit from its associate company as the Group had reduced its shareholding in Eucon from 26.9% as at 31.12.2006 to 9.0% to date. If share of associate company's profit is isolated for comparison purposes, the Group's operating profit would have improved by S\$2.5 million compared with the same corresponding period last year.

Balance sheet

Average inventory holding remained stable and controlled at around 4 months. Increase in account receivables was in line with the increase in revenue and the average account

receivables aged around 5 months which was in line with the industry practice in the PRC.

Total bank borrowing decreased by S\$6.2 million from S\$52.5 million as at the beginning of the financial year 2007 to S\$46.3 million as at 30.9.2007. Gearing was 1.01 compared with 1.09 as at the beginning of the financial year 2007.

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 Group has positioned itself as a well-recognized and established manufacturer and distributor of active and passive components providing high quality capacitors, inductors and a wide range of other components to global brand Multinational Corporations.

The Group will continue to focus on the cost reduction measures, inventory control and improve its production management and procurement efficiency. To improve its competitiveness - the Group is focusing its effort on product and process improvement as well as introduction of new equipments to replace the older machines.

The Group is working on the product approval with various key players in the lighting and energy industry and would increase its sales and distribution networks.

In view of steep increase in prices of oil and petroleum related products as well as increase in basic raw material prices like steel, copper and aluminum, the Group has strategized its selling effort to increase its selling price to recover potential cost hike.

The Group is committed to a viable business model and operation that will steer Europtronic to remain competitive.

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/recommended, a statement to that effect.

No dividend has been recommended by the Directors for the third quarter ended 30 September 2007.

**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

	Latest Full Year (2007)	Previous Full Year (2006)
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 3Q2007 financial results for the financial period ended 30 September, 2007 set out above to be false or misleading.

On behalf of the Board of Directors
of Eurotronic Group Ltd

Huang Shih An
Chairman
30 October 2007

Huang Chuang Shueh Ou
Vice Chairman