

ASDION BERHAD
(Company No. 590812-D)

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2006
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30.06.2006 RM	Preceding Year Corresponding Quarter 30.06.2005 RM	Current Period To Date 30.06.2006 RM	Preceding Year Corresponding Period 30.06.2005 RM
Revenue	3,952,863	2,010,108	6,519,199	3,817,995
Cost of sales	(2,214,494)	(559,281)	(3,301,279)	(1,553,526)
Gross profit	<u>1,738,369</u>	<u>1,450,827</u>	<u>3,217,920</u>	<u>2,264,469</u>
Other operating income	30,143	15,897	35,227	48,611
Operating expenses	(1,602,336)	(1,302,559)	(2,971,493)	(2,054,892)
Finance cost	(86,042)	(25,566)	(137,606)	(44,951)
Profit before tax	<u>80,134</u>	<u>138,599</u>	<u>144,048</u>	<u>213,237</u>
Taxation	(3,038)	(32,982)	(8,499)	(56,409)
Profit for the period	<u><u>77,096</u></u>	<u><u>105,617</u></u>	<u><u>135,549</u></u>	<u><u>156,828</u></u>
Attributable to:				
Equity holders of the company	150,050	102,088	240,724	154,294
Minority interest	(72,954)	3,529	(105,175)	2,534
	<u><u>77,096</u></u>	<u><u>105,617</u></u>	<u><u>135,549</u></u>	<u><u>156,828</u></u>
Basic EPS (sen)	0.38	0.26	0.60	0.39
Diluted EPS (sen)	N/A	N/A	N/A	N/A

Note:

The unaudited condensed consolidated income statement should be read together with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial reports.

ASDION BERHAD
(Company No. 590812-D)

CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 30 JUNE 2006

(The figures have not been audited)

	Unaudited	As at
	As at	31.12.2005
	30.06.06	(Restated)
	RM	RM
ASSETS		
Non-current assets		
Property, plant and equipment	3,493,663	2,156,913
Investment Property	874,449	879,002
Software development costs	675,579	463,621
	<u>5,043,691</u>	<u>3,499,536</u>
Current assets		
Inventories	3,212,514	875,025
Trade receivables	5,356,948	3,569,199
Other receivables, deposits and prepayments	2,081,283	1,696,948
Taxation recoverable	2,400	2,400
Short term deposits with financial institutions	545,233	2,892,285
Cash and bank balances	1,011,198	463,866
	<u>12,209,576</u>	<u>9,499,723</u>
	<u>17,253,266</u>	<u>12,999,259</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	4,000,000	4,000,000
Share premium	3,539,386	3,539,386
Reserve on consolidation	-	1,155,602
Exchange fluctuation reserve	(211,337)	(241,342)
Retained profits	2,072,886	676,560
	<u>9,400,935</u>	<u>9,130,206</u>
Minority interest	528,870	228,286
Total equity	<u>9,929,805</u>	<u>9,358,492</u>
Non-current liabilities		
Bank term loan	1,120,222	535,984
Hire purchase and finance lease	2,536,361	308,357
Deferred tax liabilities	28,063	38,917
	<u>3,684,646</u>	<u>883,258</u>
Current liabilities		
Trade payables	1,204,536	1,329,553
Other payables and accruals	733,550	448,563
Current portion of bank term loan	64,530	45,428
Hire purchase and finance lease	814,203	112,291
Bank overdraft	678,667	594,109
Tax Payable	143,329	227,565
	<u>3,638,815</u>	<u>2,757,509</u>
	<u>17,253,266</u>	<u>12,999,259</u>
TOTAL EQUITY AND LIABILITIES		
Net assets per share attributable to ordinary equity holders of the parent (sen)	24.82	23.40

The unaudited condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying notes attached to this interim financial report.

ASDION BERHAD
(Company No. 590812-D)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2006
(The figures have not been audited)

	←----- Attributable to equity holders of the parent ----->					Total RM	Minority Interest RM	Total Equity RM
	Share capital RM	Share premium RM	Reserve on consolidation RM	Exchange fluctuation reserve RM	Distributable Retained profits RM			
Balance as at 1 January 2006	4,000,000	3,539,386	1,155,602	(241,342)	676,560	9,130,206	228,286	9,358,492
Effect of adopting FRS3	-	-	(1,155,602)	-	1,155,602	-	-	-
Arising from translation of foreign currency financial statements	-	-	-	30,005	-	30,005	22,883	52,888
Arising on acquisition of subsidiary	-	-	-	-	-	-	36,391	36,391
Issue of ordinary shares to minority	-	-	-	-	-	-	346,485	346,485
Profit for the period	-	-	-	-	240,724	240,724	(105,175)	135,549
Balance as at 30 June 2006	<u>4,000,000</u>	<u>3,539,386</u>	<u>-</u>	<u>(211,337)</u>	<u>2,072,886</u>	<u>9,400,935</u>	<u>528,870</u>	<u>9,929,805</u>
Balance as at 1 January 2005	2,800,000	136	1,155,602	(17,276)	353,000	4,291,462	21,716	4,313,178
Public Issue	1,200,000	4,800,000	-	-	-	6,000,000	-	6,000,000
Listing expenses	-	(1,260,750)	-	-	-	(1,260,750)	-	(1,260,750)
Arising from translation of foreign currency financial statements	-	-	-	(112,675)	-	(112,675)	6,379	(106,296)
Issue of ordinary shares to minority	-	-	-	-	-	-	239,610	239,610
Profit for the period	-	-	-	-	154,294	154,294	2,534	156,828
Balance as at 30 June 2005	<u>4,000,000</u>	<u>3,539,386</u>	<u>1,155,602</u>	<u>(129,951)</u>	<u>507,294</u>	<u>9,072,331</u>	<u>270,239</u>	<u>9,342,570</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying notes attached to this interim financial report.

ASDION BERHAD
(Company No. 590812-D)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 JUNE 2006
(The figures have not been audited)

	QUARTER ENDED 30.06.06 RM	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30.06.05 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	144,048	213,237
Adjustment for:		
Depreciation	304,201	133,729
Amortisation of R & D	46,362	-
Effect of currency translation	(85,724)	(59,759)
Interest expense	137,606	44,951
Interest income	(29,166)	(66,885)
Operating profit before working capital changes	<u>517,327</u>	<u>265,273</u>
Changes in working capital:		
Inventories	(2,337,489)	(427,849)
Receivables	(2,172,084)	(2,016,362)
Payables	<u>159,970</u>	<u>415,394</u>
Cash used in operations	<u>(3,832,276)</u>	<u>(1,763,544)</u>
Tax paid	(103,999)	-
Interest paid	<u>(137,606)</u>	<u>(44,951)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(4,073,881)</u>	<u>(1,808,495)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,636,398)	(960,190)
Software development costs	(258,320)	(202,593)
Proceeds from issue of shares by a subsidiary to minority interest	437,341	245,000
Interest received	29,166	66,885
NET CASH USED IN INVESTING ACTIVITIES	<u>(1,428,211)</u>	<u>(850,898)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Public Issue	-	6,000,000
Listing Expenses	-	(1,260,750)
Net repayment of borrowings	<u>3,617,814</u>	<u>(17,937)</u>
NET CASH GENERATED FROM FINANCING ACTIVITIES	<u>3,617,814</u>	<u>4,721,313</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,884,278)	2,061,920
EFFECTS OF EXCHANGE RATE CHANGES	-	(23,438)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>2,762,042</u>	<u>1,081,004</u>
CASH AND CASH EQUIVALENTS AT 30 June 2006	<u>877,764</u>	<u>3,119,486</u>
Cash and cash equivalents as at 30 June 2006		
comprises the following:		
Cash and bank balances	1,011,198	319,175
Short term deposits with financial institutions	545,233	3,476,045
Bank overdraft	<u>(678,667)</u>	<u>(675,734)</u>
	<u>877,764</u>	<u>3,119,486</u>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying notes attached to this interim financial report.