



The Interconnect Solutions Provider

MFS TECHNOLOGY LTD

Full Year Financial Statements and Dividend Announcement

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

These figures have not been audited.

	Group			Group		
	3 months ended 30 September			Full year ended 30 September		
	2006	2005	%	2006	2005	%
	S\$'000	S\$'000	change	S\$'000	S\$'000	change
Sales	89,043	93,297	-5%	383,392	379,521	1%
Cost of sales	(79,010)	(79,792)	-1%	(322,765)	(320,017)	1%
Gross Profit	10,033	13,505	-26%	60,627	59,504	2%
Other operating income	2,042	972	110%	5,725	3,162	81%
Distribution costs	(1,681)	(1,816)	-7%	(8,309)	(6,420)	29%
Administrative expenses	(2,438)	(2,619)	-7%	(10,214)	(10,407)	-2%
Other operating expenses	(1,108)	(1,949)	-43%	(8,026)	(3,077)	161%
Finance costs	(390)	(394)	-1%	(1,542)	(1,106)	39%
Profit before tax	6,458	7,699	-16%	38,261	41,656	-8%
Tax	(1,758)	539	N/m	(5,320)	(7,037)	-24%
Profit for the period	4,700	8,238	-43%	32,941	34,619	-5%
Attributable to:						
Equity holders of the Company	4,186	8,160	-49%	29,279	34,369	-15%
Minority interest	514	78	N/m	3,662	250	N/m
	4,700	8,238	-43%	32,941	34,619	-5%

Additional information for the income statement

	Group		Group	
	3 months ended 30 September		Full year ended	
	2006	2005	2006	2005
	S\$'000	S\$'000	S\$'000	S\$'000
Other income including interest income	961	972	4,644	3,162
Interest on borrowings	(390)	(394)	(1,542)	(1,106)
Depreciation and amortisation	(2,536)	(2,837)	(10,525)	(9,700)
Provision for doubtful debts, net of writeback	350	(265)	35	55
Bad debts written off	-	-	-	(645)
Provision for stock obsolescence, net of writeback	(12)	(126)	398	873
Stocks writedown/writeoff	(508)	(34)	(1,960)	(607)
Foreign exchange gain/(loss)	(685)	(1,358)	(3,841)	(1,265)
Adjustment for tax (under)/over provided in prior years	(50)	1,074	214	1,083
Professional fees incurred for proposed merger transaction	(247)	-	(1,284)	-
Profit/(loss) on sale of property, plant and equipment	-	(99)	(6)	(87)

N/m: Not Meaningful

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		Company	
	S\$'000	S\$'000	S\$'000	S\$'000
	As at 30/09/2006	As at 30/09/2005	As at 30/09/2006	As at 30/09/2005
Current assets				
Cash and cash equivalents	71,149	71,885	3,464	957
Receivables	85,268	93,202	30,017	31,020
Inventories	40,093	38,044	-	-
Tax recoverable	541	519	177	519
Other current assets	3,629	2,828	20	12
	200,680	206,478	33,678	32,508
Non-current assets				
Investment in subsidiaries	-	-	39,065	38,318
Available for sale financial assets	4,403	2,989	-	-
Property, plant & equipment	78,873	87,313	6	-
	83,276	90,302	39,071	38,318
Total assets	283,956	296,780	72,749	70,826
Current liabilities				
Trade and other payables	83,681	90,727	1,445	1,154
Current tax	2,803	3,248	-	-
Borrowings	7,918	11,358	-	-
Provisions	815	-	-	-
	95,217	105,333	1,445	1,154
Non-current liabilities				
Borrowings	3,009	15,003	-	-
Provisions	91	-	-	-
Deferred tax liabilities	3,157	3,294	-	-
	6,257	18,297	-	-
Total liabilities	101,474	123,630	1,445	1,154
	182,482	173,150	71,304	69,672
Share capital and reserves				
Share capital and premium	69,891	66,035	69,891	66,035
Foreign currency translation reserve	(3,048)	(935)	-	-
Other reserves	2,416	987	1,066	1,022
Retained earnings	94,986	91,868	347	2,615
Interest of shareholders of the Company	164,245	157,955	71,304	69,672
Minority interest	18,237	15,195	-	-
Total Equity	182,482	173,150	71,304	69,672

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

	As at 30/09/2006		As at 30/09/2005	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	-	7,918	-	11,358
Amount repayable after one year	-	3,009	-	15,003

1(b)(iii) Details of any collateral

As at 30 September 2006, there were no secured borrowings.

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

Consolidated Cash Flow Statements

	3 months ended 30 September		Full year ended 30 September	
	2006 S\$'000	2005 S\$'000	2006 S\$'000	2005 S\$'000
Cash flows from operating activities				
Profit before taxation	6,458	7,699	38,261	41,656
Adjustments for: -				
Depreciation of fixed assets	2,536	2,837	10,525	9,700
Interest income	(396)	(199)	(762)	(474)
Interest expense	390	394	1,542	1,106
Loss/(gain) on sale of property, plant and equipment	-	99	6	87
Share-based payment expenses	185	286	787	654
Dividend income	(19)	-	(19)	-
Fair value gain on derivatives	(6)	-	(6)	-
Write-off of property, plant and equipment	-	-	-	76
Operating cash flow before working capital changes	9,148	11,116	50,334	52,805
Changes in operating assets and liabilities				
Receivables	(16,276)	(8,099)	7,581	21,587
Stock	2,690	(8,237)	(2,049)	(6,055)
Other assets	(1,323)	4,021	(796)	4,468
Bank balance subject to restriction	-	409	-	409
Trade and other payables	18,669	15,625	(6,241)	(23,856)
Provisions	(226)	-	907	-
Translation adjustment	(17)	(441)	(479)	(69)
Cash generated from operations	12,665	14,394	49,257	49,289
Income tax paid	(636)	(1,120)	(5,872)	(7,947)
Net cash inflow from operating activities	12,029	13,274	43,385	41,342
Cash flow from investing activities				
Payment for property, plant and equipment	(328)	(5,314)	(4,624)	(14,504)
Investment in available for sale assets	-	-	-	(2,989)
Interest received	396	199	762	474
Proceeds from the sale of property, plant and equipment	-	392	20	409
Net cash outflow from investing activities	68	(4,723)	(3,842)	(16,610)
Cash flow from financing activities				
Net proceeds from issues of shares	329	16	3,084	830
Interest paid	(390)	(394)	(1,542)	(1,106)
(Repayment)/proceeds from short-term bank loans	(11,589)	5,952	(14,101)	10,812
Dividend paid	-	-	(26,161)	(13,396)
Dividend paid to minority interest	-	(2,109)	-	(2,109)
Net cash inflow/(outflow) from financing activities	(11,650)	3,465	(38,720)	(4,969)
Net increase in cash/cash equivalents held	447	12,016	823	19,763
Cash and cash equivalents at beginning	70,917	59,316	71,885	52,109
Effects of exchange rate changes on balances held in foreign currencies	(215)	553	(1,559)	13
Cash and cash equivalents at end	71,149	71,885	71,149	71,885

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or 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

Consolidated Statement of Changes in Equity for the 3 months ended

	Attributable to equity holders of the Company					Minority Interest	Total Equity
	Share Capital and Premium	Foreign Currency Translation Reserve	Revaluation and Other Reserves *	Retained Earnings	Total		
The Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1.7.06	69,487	(2,909)	3,948	90,800	161,326	17,712	179,038
Currency translation difference	-	(139)	-	-	(139)	4	(135)
Fair value loss on available for sale financial assets	-	-	(1,642)	-	(1,642)	-	(1,642)
Net losses recognised directly in equity	-	(139)	(1,642)	-	(1,781)	4	(1,777)
Net profits	-	-	-	4,186	4,186	514	4,700
Total recognised gains and losses for the period	-	(139)	(1,642)	4,186	2,405	518	2,923
Employee share option scheme:							
- Value of employee services	75	-	110	-	185	7	192
Proceeds from shares issued	329	-	-	-	329	-	329
Dividend relating to FY2005 paid	-	-	-	-	-	-	-
Balance at 30.09.06	69,891	(3,048)	2,416	94,986	164,245	18,237	182,482
Balance at 1.7.05	66,019	(1,978)	701	83,708	148,450	16,810	165,260
Currency translation difference	-	1,043	-	-	1,043	405	1,448
Net gain recognised directly in equity	-	1,043	-	-	1,043	405	1,448
Net profits	-	-	-	8,160	8,160	78	8,238
Total recognised gains for the period	-	1,043	-	8,160	9,203	483	9,686
Employee share option scheme:							
- Value of employee services	-	-	286	-	286	11	297
Proceeds from shares issued	16	-	-	-	16	-	16
Dividend paid to minority interest	-	-	-	-	-	(2,109)	(2,109)
Balance at 30.09.05	66,035	(935)	987	91,868	157,955	15,195	173,150

Note: * Include available for sale reserve and share options expense reserve

Consolidated Statement of Changes in Equity for the 3 months ended

	Share Capital and Premium	Revaluation and Other Reserves	Retained Earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000
The Company				
Balance at 1.7.06	69,487	949	1,653	72,089
Net loss	-	-	(1,306)	(1,306)
Total recognised loss for the period	-	-	(1,306)	(1,306)
Employee share option scheme:				
- Value of employee services	75	117	-	192
Proceeds from shares issued	329	-	-	329
Balance at 30.09.06	69,891	1,066	347	71,304
Balance at 1.7.05	66,019	728	2,521	69,268
Net profits	-	-	94	94
Total recognised gains for the period	-	-	94	94
Employee share option scheme:				
- Value of employee services	-	297	-	297
Proceeds from shares issued	16	-	-	16
Balance at 30.09.05	66,035	1,025	2,615	69,675

Consolidated Statement of Changes in Equity for the full year ended

	Attributable to equity holders of the Company					Minority Interest	Total Equity
	Share Capital and Premium	Foreign Currency Translation Reserve	Revaluation and Other Reserves *	Retained Earnings	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
The Group							
Balance at 1.10.05 as previously reported	66,035	(935)	-	92,855	157,955	15,195	173,150
Effect of changes in accounting policies							
- Adjusted retrospectively	-	-	987	(987)	-	-	-
	66,035	(935)	987	91,868	157,955	15,195	173,150
- Adjusted prospectively	-	-	2,156	-	2,156	-	2,156
Balance at 1.10.05 restated	66,035	(935)	3,143	91,868	160,111	15,195	175,306
Currency translation difference	-	(2,113)	-	-	(2,113)	(649)	(2,762)
Fair value gains on available for sale financial assets	-	-	(742)	-	(742)	-	(742)
Net gains and losses recognised directly in equity	-	(2,113)	(742)	-	(2,855)	(649)	(3,504)
Net profits	-	-	-	29,279	29,279	3,662	32,941
Total recognised gains and losses for the period	-	(2,113)	(742)	29,279	26,424	3,013	29,437
Employee share option scheme:							
- Value of employee services	772	-	15	-	787	29	816
- Proceeds from shares issued	3,084	-	-	-	3,084	-	3,084
Dividend relating to FY2005 paid	-	-	-	(26,161)	(26,161)	-	(26,161)
Balance at 30.09.06	69,891	(3,048)	2,416	94,986	164,245	18,237	182,482
Balance at 1.10.04 as previously reported	65,205	(1,627)	-	71,228	134,806	16,783	151,589
Effect of changes in accounting policies							
- Adjusted retrospectively	-	-	333	(333)	-	-	-
Balance at 1.10.04 restated	65,205	(1,627)	333	70,895	134,806	16,783	151,589
Currency translation difference	-	692	-	-	692	244	936
Net gain recognised directly in equity	-	692	-	-	692	244	936
Net profits	-	-	-	34,369	34,369	250	34,619
Total recognised gains and losses for the period	-	692	-	34,369	35,061	494	35,555
Employee share option scheme:							
- Value of employee services	-	-	654	-	654	27	681
- Proceeds from shares issued	830	-	-	-	830	-	830
Dividend relating to FY2004 paid	-	-	-	(10,128)	(10,128)	-	(10,128)
Dividend relating to FY2005 paid	-	-	-	(3,268)	(3,268)	-	(3,268)
Dividend paid to minority interest	-	-	-	-	-	(2,109)	(2,109)
Balance at 30.09.05	66,035	(935)	987	91,868	157,955	15,195	173,150

Note: * Include available for sale reserve and share options expense reserve

Consolidated Statement of Changes in Equity for the full year ended

	Share Capital and Premium	Revaluation and Other Reserves	Retained Earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000
The Company				
Balance at 1.10.05 as previously stated	66,035	-	2,759	68,794
Effect of changes in accounting policies - Adjusted retrospectively	-	1,022	(144)	878
Balance at 1.10.05 restated	66,035	1,022	2,615	69,672
Net profits	-	-	23,893	23,893
Total recognised gains for the period	-	-	23,893	23,893
Employee share option scheme:				
- Value of employee services	772	44	-	816
Proceeds from shares issued	3,084	-	-	3,084
Dividend relating to FY2005 paid	-	-	(26,161)	(26,161)
Balance at 30.09.06	69,891	1,066	347	71,304
Balance at 1.10.04 as previously stated	65,205	-	5,564	70,769
Effect of changes in accounting policies - Adjusted retrospectively	-	341	(55)	286
Balance at 1.10.04 restated	65,205	341	5,509	71,055
Net profits	-	-	10,502	10,502
Total recognised gains for the period	-	-	10,502	10,502
Employee share option scheme:				
- Value of employee services	-	681	-	681
Proceeds from shares issued	830	-	-	830
Dividend relating to FY2004 paid	-	-	(10,128)	(10,128)
Dividend relating to FY2005 paid	-	-	(3,268)	(3,268)
Balance at 30.09.05	66,035	1,022	2,615	69,672

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

Since 30 September 2005, the Company issued 114,000, 342,000, 1,951,250 and 2,579,250 ordinary shares of \$0.10 each at the price of S\$0.18, \$0.21, S\$0.76 and S\$0.585 respectively upon the exercise of options granted under the MFS Share Options Scheme.

As at 30 September 2006, options to subscribe for 6,388,750 ordinary shares under the MFS Share Options Scheme remain outstanding against 12,249,000 at 30 September 2005.

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

The figures have not been audited or reviewed.

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 accounting policies and methods of computation applied by the Group are consistent with those used in its recently audited financial statements, except for changes made to comply with the following Singapore Financial Reporting Standards (FRS) that became effective in this financial year:

- FRS 1 (revised 2004) – Presentation of Financial Statements
- FRS 2 (revised 2004) – Inventories
- FRS 8 (revised 2004) – Accounting Policies, Changes in Accounting Estimates and Errors
- FRS 10 (revised 2004) – Events after the Balance Sheet Date
- FRS 16 (revised 2004) – Property, Plant and Equipment
- FRS 17 (revised 2004) – Leases
- FRS 21 (revised 2004) – The Effects of Changes in Foreign Exchange Rates
- FRS 24 (revised 2004) – Related Party Disclosure
- FRS 27 (revised 2004) – Consolidated and Separate
- FRS 32 (revised 2004) – Financial Instruments: Disclosure and Presentation
- FRS 33 (revised 2004) – Earnings per Share
- FRS 36 (revised 2004) – Impairment of Assets
- FRS 39 (revised 2004) – Financial Instruments: Recognition and Measurement
- FRS 102 – Share-based Payment

The adoption of the above FRS did not result in substantial changes to the Group's accounting policies except as disclosed in Note 5.

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

FRS 39 – Financial Instruments: Recognition and Measurement

Under FRS 39 (revised 2004), the investments in equity interests of other companies are classified as “available-for-sale financial assets” and are initially recognized at fair value and subsequently measured at fair value at the balance sheet date with all gains and losses other than impairment taken to equity. Impairment losses are taken to the income statement in the period it arises. On disposal, gains and losses previously taken to equity are included in the income statement. This change was effected prospectively from 1 October 2005 and consequently affected the following balance sheet items as at 1 October 2005.

	Group S\$'000	Company S\$'000
Increase in:		
Available-for-sale financial assets		
- Non-current assets	2,156	-
Fair value reserve	2,156	-

The effects of adopting FRS 39 also resulted in the further decrease on the Group's equity of \$0.7 million for 4Q FY2006. There was no impact on the Company's equity for the same period.

FRS 102 – Share-based Payment

Previously, the provision of share options to employee did not result in any charge in the income statement. The Group and Company recognized an increase in share capital and share premium when the options are exercised. On adoption of FRS 102, an expense is recognized in the income statement for share options issued with a corresponding increase in the share option reserve.

This change was effected retrospectively for share options granted after 22 November 2002 and not yet vested by 1 October 2005. Consequently, the following previously reported balances as at/for the year ended 30 September 2005 were adjusted.

	Group S\$'000	Company S\$'000
Increase/(decrease) in:		
Retained earnings	(987)	(144)
Share options reserve	987	1,022
Investment in subsidiaries	Nil	878
Administrative expenses	671	83
Minority interest	(27)	Nil

The impact of FRS 102 on the Group's and the Company's profit and loss account for 4Q FY2006 is \$0.2 million and \$0.02 million respectively.

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 Figures			
	3 months ended 30 September		Full year ended 30 September	
	2006	2005 (restated)	2006	2005 (restated)
Earnings per ordinary share for the period based on profit attributable to shareholders:-				
(i) Based on weighted average no. of ordinary shares in issue	0.6	1.2	4.5	5.3
(ii) On a fully diluted basis	0.6	1.2	4.5	5.3

Note:

For the purpose of calculating the diluted earnings per share, the weighted average number of ordinary shares in issue had been adjusted to reflect the dilutive effect arising from the exercise of all outstanding share options granted to employees. The number of such shares issue is added to the number of ordinary shares outstanding in the computation of diluted earnings per ordinary share. No adjustment is made to the profit after tax attributed to shareholders.

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	
	As at 30/09/2006	As at 30/09/2005	As at 30/09/2006	As at 30/09/2005
Net asset value per ordinary share based on existing issued share capital at the end of the period reported on (in cents):	24.9	24.2	10.3	10.5

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) 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 and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current period reported on.

The Group's turnover for the financial year ended 30 September 2006 increased slightly by 1.5% to \$385.2 million from \$379.5 million in FY2005. The increase was due to higher PCB sales. The FPC division, largely driven by the telecommunication sector, remained a steady contributor accounting for 87.1% of the Group's turnover, while the balance was contributed from the PCB division.

The turnover of our FPC business declined slightly from \$339.6 million in FY2005 to \$335.6 million in FY2006. The overall decline can be attributed to weaker demand from key customers, continued weakening of the USD affecting the predominantly USD sales and price reduction given to major customers. The slowdown of FPC sales in the Display and Imaging segment accounted mostly for the decline. Lower sales were also reported in the Data Storage and Diversified Electronic segments. However, significant sales increase in the Personal Communications and Wireless Portables segment helped to cushion the slowdown in other segments.

As a result of lower utilisation rate of our manufacturing facilities during 3rd quarter due to lower sales and higher purchase prices for raw materials such as gold and copper, FPC division posted lower gross profits in FY2006. However a more favorable product mix towards higher valued multi-layer products mitigated the negative impact from the lower utilisation.

Our PCB strategy to position ourselves as a high mix, low-to-mid volume solution provider, specializing in high layer count and thick copper PCB technology continues to pay off as the division's turnover grew strongly by approximately 24.6% from \$39.9 million in FY2005 to \$49.7 million in FY2006. The encouraging performance was due to the increase contribution from our niche in high layer count and thick copper PCB for application in the power supply segment. In line with the higher turnover, the PCB division's gross profit rose from \$8.0 million in FY2005 to \$9.9 million in FY2006.

In line with the overall higher Group turnover, the Group's distribution and administrative expenses for FY2006 increased by \$1.7 million from \$16.8 million to \$18.5 million. This was mainly due to additional provision for sales warranty amounting to \$0.8 million as well as higher freight cost incurred as a result of higher proportion of PCB sales. Other operating income increased from \$3.2 million in FY2005 to \$5.7 million in FY2006 due mainly to higher recovery of scrap materials. Other operating expenses increased from \$3.1 million in FY2005 to \$8.0 million in FY2006 due mainly to higher foreign exchange losses amounting to \$2.5 million due to the downward trend of the USD as well as \$1.3 million for professional fees incurred in relation to the proposed pre-conditional voluntary offer by Multi-Fineline Electronix, Inc to acquire all of the issued shares of the Company.

The Group's tax rate fell from 16.9% in FY2005 to 13.9% in FY2006 mainly due to higher tax-free contribution from our China FPC facility as well as prior years tax overprovision written back after finalization by IRAS. Our Singapore subsidiary continues to enjoy tax incentive from the Development and Expansion Incentive ("DEI") award from the Economic Development Board ("EDB") in which EDB granted a concessionary tax rate on qualifying income above a certain tax base.

The Group achieved a profit after tax attributable to shareholders of \$29.3 million for FY2006 compared to \$34.4 million for FY2005.

The Group continued to generate strong positive operating cashflow of \$49.3 million in FY2006. The Group cash balance of \$71.1 million as at 30 September 2006 was comparable to \$71.8 million as at 30 September 2005, notwithstanding dividend payment to shareholders amounted to \$26.2 million as well as repayment of bank loans of \$14.1 million. The Group invested in machinery and equipment amounting to \$4.6 million for capacity and capability upgrade. Total cash outflow from financing activities including dividends paid amounted to \$38.7 million.

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

In the SGXNET prospect statement released for 3Q FY2006 ended 30 June 2006, the Directors made a prospect statement that the business environment in which the Group operates continues to remain competitive. The Group's performance for the 4Q FY2006 ended 30 September 2006 was in line with the above guidance.

10. A commentary at the date of the announcement of the significant trends and 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

Business environment in which the Group operates continues to remain competitive. Our backlog orders as at 30 September 2006 were approximately \$143 million. However, some of these orders are spread over a period of up to twelve months.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Nil. One of the pre-conditions to the making of the conditional voluntary offer by Multi-Fineline Electronix, Inc. states that the Company shall not have announced or entered into any Material Transaction. Material Transaction is defined to include recommendation, declaration or payment of a dividend by MFS or its subsidiaries.

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Final	Special
Dividend Type	Cash	Cash
Dividend Amount per Share	1.5 cents per ordinary share (tax exempt)	2.5 cents per ordinary share (tax exempt)
Par value of shares	S\$0.10	S\$0.10
Tax Rate	Exempt 1-tier	Exempt 1-tier

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13. The aggregate value of interested person transactions conducted pursuant to the general mandate in 4Q FY2006 are as follows:

Nature and name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Purchase of inventories from Multi-Fineline Electronix, Inc.	Nil	435
Sales to Wearnes Precision (Private) Limited	Nil	17,803
Subcontract services rendered by Wearnes Electronics (M) Sdn Bhd	Nil	1,968,006
Management fees charged by Wearne Brothers Services (Pte) Ltd	Nil	180,000

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issue's most recently audited financial statements, with comparative information for the immediately preceding year.**

(a) By Activities

Year ended 30 September 2006	Flexible printed circuits	Printed circuit boards	Group
	\$'000	\$'000	\$'000
Turnover	333,716	49,676	383,392
Segment results	34,424	4,797	39,221
Management fees			(180)
Finance income			762
Finance costs			(1,542)
Profit before tax			38,261
Tax			(5,320)
Group profit from ordinary activities			32,941
Minority Interest			(3,662)
Net profit			29,279
Segmental assets	220,593	58,419	279,012
Unallocated assets			4,944
Consolidated total assets			283,956
Segmental liabilities	(70,576)	(17,621)	(88,197)
Unallocated liabilities			(13,277)
Consolidated total liabilities			(101,474)
Capital expenditure	3,356	1,268	4,624
Depreciation	7,189	3,336	10,525

Year ended 30 September 2005	Flexible printed circuits	Printed circuit boards	Group
	\$'000	\$'000	\$'000
Turnover	339,658	39,863	379,521
Segment results	39,595	2,873	42,468
Management fee			(180)
Finance income			474
Finance costs			(1,106)
Profit before tax			41,656
Tax			(7,037)
Group profit from ordinary activities			34,619
Minority Interest			(250)
Net profit			34,369
Segmental assets	238,361	54,911	293,272
Unallocated assets			3,508
Consolidated total assets			296,780
Segmental liabilities	(74,435)	(9,476)	(83,911)
Unallocated liabilities			(39,719)
Consolidated total liabilities			(123,630)
Capital expenditure	11,506	2,998	14,504
Depreciation	6,363	3,337	9,700

(b) By Geographical regions

	Sales		Total Assets		Capital Expenditure	
	2006	2005	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
USA	10,703	9,624				
Europe	19,535	16,191				
Asia Pacific	29,240	5,631				
Taiwan	47,358	106,249				
Singapore	20,809	29,550	182,426	198,069	2,263	3,156
Malaysia	16,185	14,317	18,314	22,201	514	3,563
China	239,562	197,959	83,216	76,510	1,847	7,785
Total	383,392	379,521	283,956	296,780	4,624	14,504

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

The geographical breakdown of our sales revenue is based on the country in which the customers or its subcontractors are located. The trend in sales to China and Taiwan continued to dominate the majority of our sales. However, sales to Taiwan decreased significantly in FY2006 as a result of reduction in orders due to EOL of one major program placed by our MNC customer whose subcontractor are located there.

16. A breakdown of sales as follows:

Note		Group		
		2006	2005	Increase/ (Decrease)
		S\$'000	S\$'000	%
(a)	Sales reported for first half year	221,481	207,728	6.6
(b)	Operating profit after tax before deducting minority interests reported for first half year	24,054	19,666	22.3
(c)	Sales reported for second half year	161,911	171,793	(5.8)
(d)	Operating profit after tax before deducting minority interests reported for second half year	5,225	14,703	(64.5)

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

Total Annual Dividend (less tax)	Latest Year (S\$'000)	Previous Year (S\$'000)
Ordinary	Nil	13,073
Special	Nil	16,342
Preference	Nil	Not Applicable
Total:	Nil	29,415

BY ORDER OF THE BOARD

Submitted by Peter Tan, Company Secretary on 13/10/2006 to the SGX