

LINDETEVES-JACOBBERG LIMITED**Unaudited Third Quarter Financial Statement****PART 1 – 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

Income statements for the three months and nine months ended 30 September 2006:

	Group					
	S\$'000		%	S\$'000		%
	3Q 2006	3Q 2005	Increase/ (Decrease)	YTD 3Q 2006	YTD 3Q 2005	Increase/ (Decrease)
Sales	67,583	52,882	27.8	198,849	195,055	1.9
Cost of sales	(57,225)	(51,546)	11.0	(176,165)	(179,073)	(1.6)
Gross profit	10,358	1,336	675.3	22,684	15,982	41.9
Other operating income	1,235	271	355.7	2,243	2,722	(17.6)
Selling and distribution expenses	(7,987)	(9,152)	(12.7)	(24,208)	(30,826)	(21.5)
Administrative expenses	(8,300)	(11,814)	(29.7)	(25,814)	(31,795)	(18.8)
Other operating expenses	(3,784)	(15,650)	(75.8)	(38,095)	(21,630)	76.1
Finance income	18	2	800.0	66	8	725.0
Finance costs	(3,786)	(3,587)	5.5	(9,818)	(10,229)	(4.0)
Exceptional items (Note 1)	(122)	(2,204)	(94.5)	67,266	(1,145)	N/M
Loss before tax	(12,368)	(40,798)	(69.7)	(5,676)	(76,913)	(92.6)
Tax	(309)	208	(248.6)	(1,030)	194	(630.9)
Loss after tax	(12,677)	(40,590)	(68.8)	(6,706)	(76,719)	(91.3)

Loss before tax has been arrived at after (crediting) / charging:

	Group			
	3Q 2006	3Q 2005	YTD 3Q 2006	YTD 3Q 2005
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation expenses (Note 2)	4,825	6,161	21,394	16,161
Amortisation of deferred expenditure	198	398	2,491	1,347
Net provision for doubtful debts	-	3,488	4,325	3,469
Net provision for inventory obsolescence	-	2,568	13,864	2,871
(Gain)/Loss on disposal of property, plant & equipment	(626)	180	2,243	(2,014)
Foreign exchange (gain) / loss	(1,910)	1,602	(7,421)	1,108
Bad debts written off	26	1	26	1

Note 1: Refer to paragraph 8 for further details of the exceptional items.

Note 2: Depreciation expenses include impairment of fixed assets.

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

	Group 30-Sep-06 S\$'000	Group 31-Dec-05 S\$'000	Company 30-Sep-06 S\$'000	Company 31-Dec-05 S\$'000
Fixed assets	173,708	192,439	1,120	1,275
Investment in subsidiaries	-	-	116,215	159,269
Investment in joint venture and associated companies	-	-	3,820	3,820
Development costs	3,641	5,199	-	-
Stocks	34,622	81,850	-	-
Trade Debtors	65,724	63,589	-	980
Due from joint venture / associates (trade)	608	1,085	-	-
Sundry debtors, deposits and prepayment	12,756	15,713	3,727	6,540
Bank and cash balances	9,306	14,434	203	693
Total Current Assets	123,016	176,671	3,930	8,213
Trade creditors	43,231	49,902	-	-
Other creditors and accruals	86,008	91,828	23,383	32,163
Factoring liabilities	7,328	8,326	-	-
Due to joint venture / associates (trade)	1,240	1,660	-	-
Obligations under hire purchase	310	325	-	-
Provision for taxation	(419)	91	-	-
Provision for warranty	2,809	2,783	-	-
Bank borrowings	28,477	231,167	1,760	142,588
Total Current Liabilities	168,984	386,082	25,143	174,751
Obligations under hire purchase	1,276	1,495	-	-
Bank borrowings	154,547	31,552	81,246	-
Pension obligations	36,577	35,319	-	-
Provision for employee benefits	333	329	-	-
Deferred tax	8,592	8,039	21	21
Total Non-Current Liabilities	201,325	76,734	81,267	21
Net Assets	(69,944)	(88,507)	18,675	(2,195)
Share capital (Note a)	124,287	90,969	124,287	90,969
Capital reserve	-	-	9,840	9,840
Foreign exchange translation reserves	(12,828)	(4,779)	-	-
Revenue reserves	(181,403)	(174,697)	(115,452)	(103,004)
Share Capital & Reserves	(69,944)	(88,507)	18,675	(2,195)

Notes:

(a) Following the amendments brought about by the Companies (Amendment) Act 2005 which came into operation on 30 January 2006, any amount standing to the credit of the Company's share premium as at 29 January 2006 shall become part of the Company's share capital on 30 January 2006.

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

(a) Amount repayable in one year or less, or on demand

As at 30/09/2006		As at 31/12/2005	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
9,340	19,137	50,628	180,539

(b) Amount repayable after one year

As at 30/09/2006		As at 31/12/2005	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
63,529	91,018	31,392	160

Details of any collateral

Borrowings by certain subsidiaries are secured by:

Floating charge on accounts receivable of S\$38,734,000 (31 Dec 2005: S\$40,685,000)

Mortgage over plant and machinery of S\$3,588,000 (31 Dec 2005 : S\$5,042,000)

Mortgage over all assets of the two subsidiaries of S\$30,547,000 (31 Dec 2005 : S\$36,293,000)

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

	Group 3Q 2006 S\$'000	Group 3Q 2005 S\$'000	Group YTD 3Q 2006 S\$'000	Group YTD 3Q 2005 S\$'000
Cash flows from operating activities				
(Loss) / Profit after tax	(12,677)	(40,590)	(6,706)	(76,719)
Adjustments for:				
Tax	309	(208)	1,030	(194)
Depreciation	4,825	6,161	21,394	16,161
Interest expense	3,786	3,587	9,818	10,229
Interest income	(18)	(2)	(66)	(8)
Amortisation of deferred expenditure	198	398	2,491	1,347
Bank borrowings written off pursuant to the Scheme	-	-	(68,371)	-
(Gain)/Loss on disposal of property, plant and equipment	(626)	180	2,243	(2,014)
Operating profit before working capital changes	<u>(4,203)</u>	<u>(30,474)</u>	<u>(38,167)</u>	<u>(51,198)</u>
Changes in operating assets and liabilities, net of effects				
Inventories	12,835	13,179	51,006	24,655
Trade and other receivables	(3,002)	25,600	(4,177)	59,737
Amount due from associates	1	11	58	(695)
Trade and other payables	345	5,811	12,202	3,939
Effect of foreign currency translation	(335)	1,180	(8,972)	5,339
Cash generated from / (used in) operations	<u>5,641</u>	<u>15,307</u>	<u>11,950</u>	<u>41,777</u>
Interest received	18	2	66	8
Tax paid	(648)	42	(2,093)	(88)
Net cash generated from operating activities	<u>5,011</u>	<u>15,351</u>	<u>9,923</u>	<u>41,697</u>
Cash flows from investing activities				
Deferred expenditure incurred	3	-	(1,028)	(6)
Purchase of property, plant and equipment	(1,214)	(1,826)	(5,207)	(5,603)
Proceeds from disposal of property, plant and equipment	34	1,526	652	35,319
Net cash (used in) / generated from investing activities	<u>(1,177)</u>	<u>(300)</u>	<u>(5,583)</u>	<u>29,710</u>
Cash flows from financing activities				
Obligations under hire purchase	(109)	(104)	(234)	(491)
Proceeds from bank borrowings, net of repayments	(1,275)	(8,574)	(2,361)	(35,451)
Proceed from factoring	4,167	(9,573)	4,162	(30,038)
Interest paid	(3,786)	(3,704)	(9,818)	(10,634)
Net cash used in financing activities	<u>(1,003)</u>	<u>(21,955)</u>	<u>(8,251)</u>	<u>(76,614)</u>
Net change in cash and cash equivalents	<u>2,831</u>	<u>(6,904)</u>	<u>(3,911)</u>	<u>(5,207)</u>
Effect of the restructuring and write off of bank overdrafts included under the Scheme of Arrangement	-	-	51,902	-
Cash and cash equivalents at the beginning of the financial period	<u>680</u>	<u>(49,427)</u>	<u>(44,480)</u>	<u>(51,124)</u>
Cash and cash equivalents at the end of the financial period (Note A)	<u>3,511</u>	<u>(56,331)</u>	<u>3,511</u>	<u>(56,331)</u>
Note A:	3Q 2006	3Q 2005		
Cash and cash equivalents consist of:	S\$'000	S\$'000		
Cash and bank balance	9,306	7,904		
Bank overdraft	(5,795)	(64,235)		
	<u>3,511</u>	<u>(56,331)</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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

STATEMENT OF CHANGES IN EQUITY - GROUP

	Share Capital S\$'000	Share Premium S\$'000	Foreign Currency Translation Reserve S\$'000	Revenue Reserves S\$'000	Total S\$'000
Balance at 1 January 2006	57,559	33,410	(4,779)	(174,697)	(88,507)
Currency translation differences	-	-	(1,774)	-	(1,774)
Net loss not recognised in income statement	0	0	(1,774)	0	(1,774)
Net profit for the financial period	-	-	-	61,094	61,094
Total recognised gains & losses for the financial period	0	0	(1,774)	61,094	59,320
Issued of ordinary share	33,318	-	-	-	33,318
Transfer from share premium account to share capital upon implementation of the Companies (Amendment) Act 2005	33,410	(33,410)	-	-	-
Dividends	-	-	-	-	-
Balance at 31 March 2006	124,287	0	(6,553)	(113,603)	4,131
Currency translation differences	-	-	(3,945)	-	(3,945)
Net loss not recognised in income statement	0	0	(3,945)	0	(3,945)
Net loss for the financial period	-	-	-	(55,123)	(55,123)
Total recognised losses for the financial period	0	0	(3,945)	(55,123)	(59,068)
Dividends	-	-	-	-	-
Balance at 30 June 2006	124,287	0	(10,498)	(168,726)	(54,937)
Currency translation differences	-	-	(2,330)	-	(2,330)
Net loss not recognised in income statement	0	0	(2,330)	0	(2,330)
Net loss for the financial period	-	-	-	(12,677)	(12,677)
Total recognised losses for the financial period	0	0	(2,330)	(12,677)	(15,007)
Dividends	-	-	-	-	-
Balance at 30 September 2006	124,287	0	(12,828)	(181,403)	(69,944)
Balance at 1 January 2005	57,559	33,410	(6,890)	(18,163)	65,916
Currency translation differences	-	-	(3,082)	-	(3,082)
Net loss not recognised in income statement	0	0	(3,082)	0	(3,082)
Net loss for the financial period	-	-	-	(12,448)	(12,448)
Total recognised losses for the financial period	0	0	(3,082)	(12,448)	(15,530)
Dividends	-	-	-	-	-
Balance at 31 March 2005	57,559	33,410	(9,972)	(30,611)	50,386
Currency translation differences	-	-	56	-	56
Net loss not recognised in income statement	0	0	56	0	56
Net loss for the financial period	-	-	-	(23,681)	(23,681)
Total recognised gains and losses for the financial period	0	0	56	(23,681)	(23,625)
Dividends	-	-	-	-	-
Balance at 30 June 2005	57,559	33,410	(9,916)	(54,292)	26,761
Currency translation differences	-	-	3,502	-	3,502
Net loss not recognised in income statement	0	0	3,502	0	3,502
Net loss for the financial period	-	-	-	(40,590)	(40,590)
Total recognised gains and losses for the financial period	0	0	3,502	(40,590)	(37,088)
Dividends	-	-	-	-	-
Balance at 30 September 2005	57,559	33,410	(6,414)	(94,882)	(10,327)

STATEMENT OF CHANGES IN EQUITY - COMPANY

	Share Capital S\$'000	Share Premium S\$'000	Capital Reserve S\$'000	Revenue Reserves S\$'000	Total S\$'000
Balance at 1 January 2006	57,559	33,410	9,840	(103,004)	(2,195)
Net gain for the financial period	-	-	-	69,191	69,191
Total recognised gains and losses for the financial period	0	0	0	69,191	69,191
Issued of ordinary share	33,318	-	-	-	33,318
Transfer from share premium account to share capital upon implementation of the Companies (Amendment) Act 2005	33,410	(33,410)	-	-	-
Dividends	-	-	-	-	-
Balance at 31 March 2006	124,287	0	9,840	(33,813)	100,314
Net loss for the financial period	-	-	-	(1,769)	(1,769)
Total recognised gains and losses for the financial period	0	0	0	(1,769)	(1,769)
Dividends	-	-	-	-	-
Balance at 30 June 2006	124,287	0	9,840	(35,582)	98,545
Net loss for the financial period	-	-	-	(79,870)	(79,870)
Total recognised gains and losses for the financial period	0	0	0	(79,870)	(79,870)
Dividends	-	-	-	-	-
Balance at 30 September 2006	124,287	0	9,840	(115,452)	18,675
Balance at 1 January 2005	57,559	33,410	-	(77,732)	13,237
Net loss for the financial period	-	-	-	(1,372)	(1,372)
Total recognised gains and losses for the financial period	0	0	0	(1,372)	(1,372)
Dividends	-	-	-	-	-
Balance at 31 March 2005	57,559	33,410	0	(79,104)	11,865
Net loss for the financial period	-	-	-	(5,336)	(5,336)
Total recognised gains and losses for the financial period	0	0	0	(5,336)	(5,336)
Dividends	-	-	-	-	-
Balance at 30 June 2005	57,559	33,410	0	(84,440)	6,529
Net loss for the financial period	-	-	-	(3,447)	(3,447)
Total recognised gains and losses for the financial period	0	0	0	(3,447)	(3,447)
Dividends	-	-	-	-	-
Balance at 30 September 2005	57,559	33,410	0	(87,887)	3,082

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 or 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 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 during this current reporting period.

There were no outstanding warrants as at 30 September 2006 (30 September 2005 : NIL)

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by the Group'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

Except for the adoption of various new/revised Financial Reporting Standards issued by the Council on Corporate Disclosure and Governance, which took effect from 1 January 2006 (refer to item 5 below), the accounting policies and methods of computation adopted are consistent with those applied in the audited financial statements for the year ended 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

Other than the adoption of various new/revised Financial reporting Standards issued by the Council on Corporate Disclosure and Governance, which took effect from 1 January 2006, there has been no change in the accounting policies and methods of computation adopted by the Group. The adoption of the new/revised Financial Reporting Standards is not expected to have a significant impact on the financial statements of the Group.

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

6. Earnings per ordinary share of the group for the financial year, after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares in issue

(ii) On a fully diluted basis

Group Figures			
3Q 2006	3Q 2005	YTD 3Q 2006	YTD 3Q 2005
(2.6) cents	(14.1)cents	(1.5)cents	(26.7) cents
(2.6) cents	(14.1) cents	(1.5) cents	(26.7) cents

Explanatory Notes for Item 6

Earnings per share ("EPS") is calculated by dividing the profit attributable to shareholders after deducting minority interests by the weighted average number of ordinary shares in issued for 3Q 2006 of 496,112,589 (3Q 2005: 287,797,353) and for the nine months ended 30 September 2006 of 441,935,366 (30 September 2005: 287,797,353)

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

Net asset value per ordinary share based on issued share capital of the issuer at the end of the financial period

Number of existing issued shares at end of period

GROUP		COMPANY	
30 September 2006	31 December 2005	30 September 2006	31 December 2005
(14.1) cents	(30.8) cents	3.8 cents	(0.8) cents
496,112,589	287,797,353	496,112,589	287,797,353

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

Group sales recovered by 27.8% from S\$52.9 million in 3Q05 to S\$67.6 million in 3Q06. This was also higher than sales achieved in 2Q06 of S\$62.2 million. The higher sales were due mainly to the healthy recovery in sales of the high voltage motors. During the quarter, the Group was also able to increase the production volume of low voltage motors. The advances from our parent company, ATB Austria Autriebstechnik AG ("ATB") which were utilised to purchase raw materials and support the working capital requirements of the production plants, had a positive impact on the production volumes.

As a result of the higher output and hence better absorption of labour costs and fixed overheads, gross profit margin improved to 15.3% in 3Q06 compared to 2.5% achieved in the corresponding period in 2005. This was also a significant improvement compared to gross profit margin of 1.7% achieved in 2Q06.

Selling and distribution expenses as well as Administrative expenses were lower in 3Q06 compared to 3Q05. In 3Q05, the Group had suffered from penalties for late delivery and late payment of customs, duty and taxes.

Other operating expenses decreased a substantial 75.8% to S\$3.8 million in 3Q06 compared to S\$15.7 million in 3Q05. The expenses in 3Q05 included provisions of S\$10 million for write-off of inventory, accounts receivables and other debtors.

In spite of the reduced principal amounts under the Scheme of Arrangement which took effect on 22 December 2005, finance costs increased by S\$0.2 million in 3Q06 from the corresponding period in 2005. This was due mainly to higher interest rate on the US\$25 million floating rate note issued by one of the subsidiaries as well as the higher cost of funds incurred on the borrowings of the Group in a rising interest rate regime.

Exceptional expenses of \$0.1 million in 3Q06 relates to redundancy cost incurred in the UK. The Group will continue to rationalise its operations to bring down operating costs further.

Bank borrowings under Current Liabilities declined by a substantial S\$202.7 million to S\$28.5 million due to the amount of debts written off and the balance of the debts outstanding were reclassified to an 8-year term loan under the Scheme of Arrangement. Overall bank borrowings decreased by S\$79.7 million of which S\$75.0 million were due to debts written off.

Share capital increased by S\$33.3 million comprising S\$9.9 million arising from shares issued to the creditor banks and S\$23.4 million arising from shares issued to ATB Antriebstechnik AG (net of issue expenses).

At the Company level, Investment in subsidiaries decreased by approximately S\$43.1 million to S\$116.2 million due mainly to impairment to the Company's investment in BCW Electric Motor (Dalian) Corp. Ltd ("BCW"), its subsidiary in China. As announced on 29 October 2006, the Company had entered into separate conditional sale and purchase agreements to sell its equity interest in BCW to Dalian Motor Co., Ltd and An Xiao Dan, an Australian citizen who is a business associate of DM based in Australia.

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

Not applicable

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's current order book is approximately S\$120 million, an increase of 23.3% compared to 2Q06 due mainly to the strong recovery in the high voltage motor business. The Rights Issue which closed on 30 October 2006 raised approximately S\$25.4 million of net proceeds. The loans and advances received from ATB which were fully off-set against their subscription monies for the Rights Issue were utilised as working capital for the Group. The balance of the proceeds would be used to repay bank borrowings and utilise as working capital. Although the overall liquidity position of the Group has improved marginally, it is still not satisfactory as the Group failed to raise the full proceeds of approximately S\$29.6 million. The Company would be exploring other funding options so as to accelerate the recovery of the Group.

As reported in the 2Q06 announcement, the Group is in discussions with banks in Germany to seek new financing for Schorch, its subsidiary in Germany. On 8 November 2006, the Company was informed that the majority of scheme creditors in Singapore were not in favour of the new financing for Schorch based on the proposed terms and conditions of the financing.

The Group had negative working capital of approximately S\$44.1 million as at 30 September 2006. The Rights Issue, which raised net proceeds of approximately S\$25.4, would reduce the Group's negative working capital to approximately S\$18.7 million. As mentioned above, the Group will continue its efforts to explore other funding options to improve its working capital position.

The Directors believe that the current working capital shortfall should not prevent the Group from meeting its short-term obligations as and when they fall due. The Group continues to receive the support of its major shareholder, ATB, its creditor banks and other financial institutions.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the 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 / recommended, a statement to that effect

No dividends are proposed for the period ended 30 September 2006.

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 preceding year

Not Applicable

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earning 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

	Latest Year (S\$'000)	Previous Year (S\$'000)
Ordinary		
Preference	Not Applicable	Not Applicable
Total		

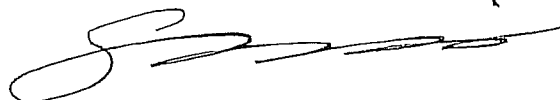
BY ORDER OF THE BOARD

Lathika Devi Amma d/o K R Pillay
Company Secretary
Singapore, 10 November 2006

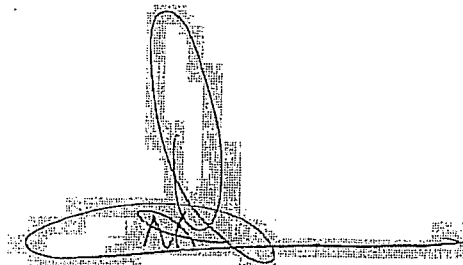
Negative Assurance Confirmation by the Board pursuant to Rule 705(4) of the Listing Manual

On behalf of the Board of Directors of the Company, we, Giovanni Bindoni and Neil Anthony Stewardson, being two directors of the Company, do hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the interim financial results for the third quarter ended 30 September 2006 to be false or misleading.

On behalf of the Board of Directors



GIOVANNI BINDONI
Director



NEIL ANTHONY STEWARDSON
Director

Singapore, 10 November 2006