



**UNITED ENVIROTECH LTD. (Company registration number: 200306466G)**

**Material variances between unaudited financial statements and audited financial statements for the financial year ended 31 March 2011**

The board of directors of United Envirotech Ltd (the “Company”) refers to the announcement of unaudited full year financial statements for the year ended 31 March 2011 released by the Company on the SGXNET on 24 May 2011 (Announcement No. 00065).

The board wishes to announce that there are material variances between the unaudited financial statements and audited financial statements for the financial year ended 31 March 2011. The material variances are set out as follows:

**Consolidated Statement of Cash Flows**

	<b>Audited \$'000</b>	<b>Unaudited \$'000</b>	<b>Material variance \$'000</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment	(1,881)	(1,978)	*
Deposit for purchase of water treatment plant	-	(3,212)	3,212
Addition to service concession receivables	(32,701)	(32,701)	
Proceeds from disposal of property, plant and equipment	44	-	*
Net cash outflow on acquisition of subsidiary	(2,815)	(2,815)	
Investment of associate	(718)	(718)	
<b>Net cash used in investing activities</b>	<b>(38,071)</b>	<b>(41,424)</b>	
<b>Financing activities</b>			
New bank loans raised	28,624	28,624	
Proceeds from issuing shares	20,222	20,222	
Loan to third party	(3,212)	-	(3,212)
Dividend paid	(2,188)	(2,188)	
Repayment of obligations under finance lease	(129)	(129)	
Repayments of borrowings	(5,869)	(5,869)	
Pledged fixed deposits	(46)	(46)	
<b>Net cash from financing activities</b>	<b>37,402</b>	<b>40,614</b>	

The material variance relates to the reclassification of loan to third party of \$3,212,000 from investing activities to financing activities.

By order of the board

Lotus Isabella Lim Mei Hua  
Company secretary  
12 July 2011