

INARI BERHAD

**PRESS RELEASE
15 December 2011**

FOR IMMEDIATE RELEASE

INARI BERHAD SUBSCRIBES FOR A 51% EQUITY STAKE IN A MSC AND ETP ECO-SYSTEM COMPANY, CEEDTEC SDN BHD.

Penang, 15 December 2011, Inari Berhad (“**Inari**”) announced today that it had entered into a subscription agreement to subscribe for 1,999,200 new shares representing 51% equity interest in Ceedtec Sdn Bhd (“**Ceedtec**”) for a total cash consideration of RM3.6 million. Upon completion of the subscription, Ceedtec will become a 51% subsidiary of Inari.

The subscription will be funded from Inari’s internally generated funds.

Ceedtec is an original design manufacturer (“**ODM**”) and a research & development (“**R&D**”) house in the electronics industry and is a key eco-system partner in Penang for Agilent Technologies Inc (“**Agilent**”), a multinational corporation based in the USA and a renowned global manufacturer of electronics test & measurement equipment. Ceedtec’s present niches are the design and manufacture of precision test and measurement equipment and provision of wireless communication system solutions.

Agilent (www.agilent.com), listed on the NYSE, has three product groups, i.e. the electronics measurement group, chemical analysis group and life sciences group. Agilent’s consolidated revenue for financial year ended 31 October 2010 was US\$5.4 billion (*source: Agilent Technologies Inc 2010 Annual Report*).

In addition, Agilent, as the Electronics and Electrical Industry lead partner for the Malaysia’s Economic Transformation Programme, has communicated its commitment to the Malaysian government to support and build-up Agilent’s Malaysian eco-system partners, including Ceedtec, into global technology players (*source: etp.pemandu.gov.my*).

“Our investment in Ceedtec will enable Inari Group to be a part of Agilent’s supply chain ecosystem which is in line with the Inari Group’s aspirations of becoming a premiere electronics manufacturing services (EMS) provider in the region. We believe that our investment in Ceedtec is a good one and we look forward to Ceedtec’s positive contribution to the Inari Group’s shareholder value going forward.

Meanwhile, the outlook for Inari Group’s core business of providing electronics manufacturing services to the semiconductor manufacturers continues to positive. Despite the clouded economic outlook, the World Semiconductor Trade Statistics (WSTS) organization projected the global semiconductor sales to reach US\$302 billion in 2011, passing the US\$300 billion mark for the first time. WSTS is predicting a 3.7% growth in 2012 and 5.8% growth in 2013 in global semiconductor sales. This is positive news for EMS providers like Inari.”

*Mr Lau Kean Cheong
Chief Executive Officer,
Inari Berhad*

“We look forward to being part of the Inari Group and we are confident that Inari’s investment in Ceedtec is a win-win deal for the shareholders of Inari and Ceedtec alike.”

*Mr Heng Fook Main
Managing Director
Ceedtec Sdn Bhd*

Barring unforeseen circumstances, Ceedtec is expected to generate positive cash flow and profit contributions for the financial year ending 30 June 2013.

Inari Berhad (www.inariberhad.com) (stock code: 0166) is a public limited company listed on the ACE Market of Bursa Malaysia Securities Berhad. The principal business of Inari Group is the provision of electronics manufacturing services, especially in semiconductor packaging, which comprises back-end wafer processing, package assembly and radio-frequency final testing for wireless microwave telecommunications semiconductor products.

Additional details on the subscription of shares in Ceedtec can be found in Inari’s announcement to Bursa Malaysia Securities Berhad dated 15 December 2011.

For further information, please contact:

Mr Niu Jit Aun
Head, Corporate Affairs
Plot 51, Hilir Sungai Keluang Empat
Phase 4, Bayan Lepas Free Industrial Zone
11900 Bayan Lepas
Penang
Tel: 04 645 6618
email: jit-aun.niu@inariberhad.com
www.inariberhad.com