



Proforma Half - Year financial statements on consolidated results for the period ended 28 February 2010

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Income Statement for the half-year ended 28 February 2010. These figures have not been audited or reviewed.

	Group		Change in %
	1st Half 28 Feb 2010 (S\$'000)	1st Half 28 Feb 2009 (S\$'000)	
Turnover	24,080	35,718	-32.58%
Cost of Sales	(18,626)	(29,558)	-36.98%
Gross Profit	5,454	6,160	-11.46%
Other operating income	97	858	-88.69%
Distribution and selling expenses	(3,269)	(3,776)	-13.43%
Administration expenses	(1,530)	(1,485)	3.03%
Other operating expenses	(193)	(79)	NM
Profit from operations	559	1,678	-66.69%
Financial income	13	12	8.33%
Financial expenses	(210)	(296)	-29.05%
Share of associate's result	-	(57)	-100.00%
Profit before tax	362	1,337	-72.92%
Taxation	(83)	(4)	NM
Profit for the period	279	1,333	-79.07%
Profit attributable to:-			
Owners of the parent	254	1,331	-80.92%
Minority interests	25	2	NM
	279	1,333	-79.07%

Consolidated Income Statement of comprehensive income for the half-year ended 28 February 2010. These figures have not been audited or reviewed.

	Group		Change in %
	1st Half 28 Feb 2010 (S\$'000)	1st Half 28 Feb 2009 (S\$'000)	
Profit net of tax	279	1,333	-79.07%
Other comprehensive income:			
Foreign currency translation	(121)	108	NM
Other comprehensive income for the period, net of tax	<u>(121)</u>	<u>108</u>	NM
Total comprehensive income for the period	<u><u>158</u></u>	<u><u>1,441</u></u>	-89.04%
Total comprehensive income attributable to:			
Owners of the parent	139	1,408	-90.13%
Minority interests	19	33	-42.42%
	<u><u>158</u></u>	<u><u>1,441</u></u>	-89.04%

1(a) (ii) Other information

	Group		Change in %
	1st Half 28 Feb 2010 (S\$'000)	1st Half 28 Feb 2009 (S\$'000)	
Finance income	13	12	8.33%
Finance expenses	(210)	(296)	-29.05%
Depreciation of property, plant and equipment	(1,058)	(1,130)	-6.37%
Foreign exchange (loss)/gain	(135)	678	NM
Gain on disposal of property, plant and equipment	50	82	-39.02%
Loss on disposal of associate	(8)	-	NM
Loss on liquidation of a subsidiary	(5)	-	NM
Allowance for inventory obsolescence	(1,000)	(1,200)	-16.67%
Allowance for doubtful trade receivables	(5)	-	NM
Write back of allowance for inventory obsolescence	400	-	NM
Write-back of allowance for doubtful trade receivables	276	-	NM
Property, plant and equipment written off	(10)	(5)	100.00%

NM-Not Meaningful

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

	The Group 28 Feb 2010 S\$ '000	The Group 31 Mar 2009 S\$ '000	Change in %	The Company 28 Feb 2010 S\$ '000	The Company 31 Mar 2009 S\$ '000	Change in %
Equity attributable to owners of the parent						
Share capital & reserves						
Share Capital	21,332	19,832	7.56%	21,332	19,832	7.56%
Reserves	(12,488)	(13,298)	-6.09%	(13,640)	(13,946)	-2.19%
	8,844	6,534	35.35%	7,692	5,886	30.68%
Minority Interests						
	282	271	4.06%	-	-	NM
Total equity	9,126	6,805	34.11%	7,692	5,886	30.68%
Represented By:						
Property, plant and equipment	5,923	7,525	-21.29%	199	323	-38.39%
Investment in subsidiaries	-	-	NM	4,533	4,533	0.00%
Investment in an associate	-	133	-100.00%	-	60	-100.00%
Goodwill on consolidation	112	112	0.00%	-	-	NM
Due from subsidiary (non- trade)	-	-	NM	4,767	6,096	-21.80%
Current Assets						
Inventories	4,268	6,937	-38.47%	2,789	4,962	-43.79%
Trade receivables	6,254	8,367	-25.25%	3,761	3,753	0.21%
Other receivables and deposits	263	359	-26.74%	107	154	-30.52%
Prepayment	647	178	263.48%	117	95	23.16%
Due from subsidiaries (trade)	-	-	NM	-	391	-100.00%
Due from an associate (trade)	-	30	-100.00%	-	-	NM
Due from related party	314	-	NM	314	-	NM
Due from related company	33	-	NM	-	-	NM
Fixed deposits	4,567	3,208	42.36%	3,300	2,965	11.30%
Cash and bank balances	4,239	3,853	10.02%	1,261	1,054	19.64%
	20,585	22,932	-10.23%	11,649	13,374	-12.90%
Current Liabilities						
Trade payables	4,557	6,866	-33.63%	2,082	3,197	-34.88%
Other payables and accruals	3,520	4,183	-15.85%	2,143	2,767	-22.55%
Due to related party	3	-	NM	3	-	NM
Due to holding company	12	-	NM	12	-	NM
Due to subsidiary companies (trade)	-	-	NM	399	231	72.73%
Due to a corporate shareholder (trade)	-	26	-100.00%	-	26	-100.00%
Income tax payable	112	32	NM	74	29	NM
Leased obligations, current portion	474	544	-12.87%	474	487	-2.67%
Long-term bank loans, current portion	1,418	1,418	0.00%	1,418	1,418	0.00%
Short-term bank loans	547	483	13.25%	-	-	NM
Loan from non-financial institution	-	1,500	-100.00%	-	1,500	-100.00%
	10,643	15,052	-29.29%	6,605	9,655	-31.59%
Net Current Assets	9,942	7,880	26%	5,044	3,719	35.63%
Non Current Liabilities						
Lease obligations, non-current portion	(1,636)	(2,070)	-20.97%	(1,636)	(2,070)	-20.97%
Long-term bank loans, non-current portion	(4,963)	(6,263)	-20.76%	(4,963)	(6,263)	-20.76%
Other payables and accruals	(252)	(512)	-50.78%	(252)	(512)	-50.78%
Net Assets	9,126	6,805	34.11%	7,692	5,886	30.68%

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

Amount repayable in one year or less, or on demand

As at 28.02.2010		As at 31.03.2009	
Secured S\$ '000	Unsecured S\$ '000	Secured S\$ '000	Unsecured S\$ '000
2,439	-	3,572	373

Amount repayable after one year

As at 28.02.2010		As at 31.03.2009	
Secured S\$ '000	Unsecured S\$ '000	Secured S\$ '000	Unsecured S\$ '000
6,599	-	8,333	-

Details of any collateral

(a) A fixed and floating charge has been created on the assets and properties of the Company and its subsidiary, PT Giken Precision Indonesia, in favour of the banks currently serving the Company.

(b) As at 31.03.2009, a fixed and floating charge was also created on the assets and properties of the Company in favour of Miyoshi Precision Limited, for an additional loan of S\$1.5million drawn-down during FY2009.

(c) The secured debts include fixed term lease by the Company and the short-term bank loans of a subsidiary company, which are secured by its office buildings, leasehold land and fixed deposits.

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

	28 Feb 2010 S\$'000	28 Feb 2009 S\$'000
Cash flows from operating activities		
Profit before tax	362	1,337
Adjustments:		
Depreciation of property, plant and equipment	1,058	1,130
Currency realignment	(100)	116
Gain on disposal of property, plant and equipment	(50)	(82)
Property, plant and equipment written off	10	5
Interest expense	210	296
Interest income	(13)	(12)
Share of associate's results	-	57
Loss on disposal of associate	8	-
Loss on liquidation of a subsidiary	5	-
Allowance for doubtful trade receivables	5	-
Write-back of allowance for doubtful trade receivables	(276)	-
Allowance for inventory obsolescence	1,000	1,200
Write-back of allowance for inventory obsolescence	(400)	-
Operating cash flows before working capital changes	1,819	4,047
(Increase)/ decrease in:		
Inventories	1,451	1,854
Trade receivables	527	3,984
Other receivables and deposits	10	(117)
Prepayments	(490)	(75)
Due from related party	(314)	-
Due from related company	(33)	-
Increase/ (decrease) in:		
Trade payables	328	(4,457)
Other payables and accruals	(700)	(355)
Due to related party	3	-
Due to holding company	12	-
Due to a corporate shareholder	(17)	19
Cash generated from operations	2,596	4,900
Interest received	13	12
Interest paid	(210)	(407)
Tax refund	40	24
Tax paid	(42)	(11)
Net cash generated from operating activities	2,397	4,518
Cash flows from investing activities		
Proceed from disposal of property, plant and equipment	50	83
Proceed from disposal of associate	100	-
Purchase of property, plant and equipment	(335)	(545)
Net cash used in investing activities	(185)	(462)

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

	28 Feb 2010 S\$'000	28 Feb 2009 S\$'000
Cash flows from financing activities		
Bank balances pledged	1	(4)
Proceeds from bank loans	-	32
Proceeds from non-financial institution loans	-	1,500
Repayment of bank loans	(822)	(797)
Repayment of obligations under finance leases	(269)	(276)
Net cash (used in)/generated from financing activities	<u>(1,090)</u>	<u>455</u>
<i>Net increase in cash and cash equivalents</i>	1,122	4,511
<i>Cash and cash equivalents at beginning of period</i>	7,634	2,711
Cash and cash equivalents at end of the period	<u><u>8,756</u></u>	<u><u>7,222</u></u>
Reconciliation of cash and cash equivalents		
Cash and bank balances	4,239	3,860
Fixed deposits	4,567	3,488
Less: Bank balances pledged	(50)	(126)
	<u><u>8,756</u></u>	<u><u>7,222</u></u>

- 1 (d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Foreign currency translation reserves	Accumulated losses	Total attributable to owners of the parent	Minority Interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group						
Balance at 1 April 2008	18,332	362	(16,731)	1,963	232	2,195
Profit net of tax	-	-	2,532	2,532	10	2,542
Other comprehensive income for the period	-	539	-	539	29	568
Total comprehensive income for the period	-	539	2,532	3,071	39	3,110
Conversion of short-term loan from non-financial institution to share capital	1,500	-	-	1,500	-	1,500
Balance at 31 March 2009	19,832	901	(14,199)	6,534	271	6,805
Profit net of tax	-	-	942	942	5	947
Other comprehensive expense for the period	-	(271)	-	(271)	(13)	(284)
Total comprehensive income for the period	-	(271)	942	671	(8)	663
Balance at 31 August 2009	19,832	630	(13,257)	7,205	263	7,468
Profit net of tax	-	-	254	254	25	279
Other comprehensive expense for the period	-	(115)	-	(115)	(6)	(121)
Total comprehensive income for the period	-	(115)	254	139	19	158
Conversion of short-term loan from non-financial institution to share capital	1,500	-	-	1,500	-	1,500
Balance at 28 February 2010	21,332	515	(13,003)	8,844	282	9,126
The Company						
Balance at 1 April 2008	18,332	-	(14,910)	3,422	-	3,422
Profit net of tax	-	-	964	964	-	964
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	964	964	-	964
Conversion of short-term loan from non-financial institution to share capital	1,500	-	-	1,500	-	1,500
Balance at 31 March 2009	19,832	-	(13,946)	5,886	-	5,886
Loss net of tax	-	-	(354)	(354)	-	(354)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive expense for the period	-	-	(354)	(354)	-	(354)
Balance at 31 August 2009	19,832	-	(14,300)	5,532	-	5,532
Profit net of tax	-	-	660	660	-	660
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	660	660	-	660
Conversion of short-term loan from non-financial institution to share capital	1,500	-	-	1,500	-	1,500
Balance at 28 February 2010	21,332	-	(13,640)	7,692	-	7,692

- 1 (d) (ii) **Details of any changes in the company's share capital arising from right issue, bonus issue, share buy backs, exercise of share options or warrants, conversion of others issues of equity securities, issues of shares for cash or as consideration for acquisition or for any others 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.**

During the period, 46,382,189 ordinary shares were issued to Miyoshi Precision Limited on the conversion of a S\$1.5 million convertible loan granted to the Company in the last financial year.

- 1 (d) (iii) **Total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year.**

	28 Feb 2010	31 Mar 2009
Total number of issued shares(excluding treasury shares)	131,509,657	85,127,468

- 1 (d) (iv) **A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfer, disposal, cancellation and/or use of treasury shares for the period ended 28 Feb 2010.

- 2 **Whether are the figures have been audited, or reviewed and in accordance with which standard(e.g. the Singapore Standard on Auditing 910 (Engagement to review Financial Statement), or an equivalent standard).**

The figures have not been audited or reviewed by the external auditors of the Company.

- 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 Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the period ended 31.03.2009 as well as applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after 1.4.2009. The adoption of these FRS did not result in any substantial changes to the Group's accounting policies or any significant impact on the financial statements except for the presentation of financial statements as required by FRS 1 *Presentation of Financial Statements (Revised presentation)* as disclosed in item 5 below.

- 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 effects of, the change.**

FRS 1 *Presentation of Financial Statements (Revised presentation)* requires owner and non-owner changes in equity to be presented separately. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity being presented as a single line item. In addition, the revised standard introduces the statement of comprehensive income: it presents all income and expense, either in one single statement, or in two linked statements. The Group is presenting the statement of comprehensive income in two linked statements.

6 **Earning 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.**

	28 Feb 2010 Cents	28 Feb 2009 Cents	Change in %
Based on the No. of shares in issue during the year	0.19	1.02	-36.62%
On fully diluted basis	0.19	1.02	-36.62%

"Item 6: The earnings per share for the period ended 28 February 2010 is calculated based on the weighted average share capital in issue during the period of 130,997,147 ordinary shares (28 February 2009 : 83,307,514 ordinary shares)"

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 financial period reported on; and
(b) immediately preceding financial year.**

	Group		Company	
	28 Feb 2010 Cents	31 Mar 2009 Cents	28 Feb 2010 Cents	31 Mar 2009 Cents
Net assets valued per ordinary share based on issued share of the company at the end of the financial year (cents)	6.72	7.67	5.85	6.91

"Item 7: The net assets value per share for the period ended 28 February 2010 is calculated based on the share capital in issue at the end of the period of 131,509,657 ordinary shares (31 March 2009: 85,127,468 ordinary shares)"

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 effected 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 financial period reported on.

Consolidated Income Statement

- (i) The Group's turnover for the period was \$24.1 million, approximating 67.42% of the turnover for the corresponding period in FY 2009. The reduction is due mainly to the phasing out of certain products by some customers and changes in purchasing requirements of the customers.
- (ii) While the sales turnover had declined, the changes in product mix had resulted in an improved gross margin of 22.65%, as compared with 17.25% for the corresponding period in FY 2009. Gross profit for the current period was S\$5.5 million.
- (iii) Due to lower sales turnover and with continuing cost management, distribution and selling expenses came down by S\$0.5million as compared with the corresponding period in FY2009.
- (iv) Despite the higher gross margin and lower expenses, the lower turnover resulted in a net profit after tax of S\$0.3million for the period as compared to a net profit after tax of S\$1.3million for the corresponding period in FY2009.

Consolidated Statement of Financial Position

- (v) During the period, the Company issued an additional 46,382,189 ordinary shares to Miyoshi Precision Limited on the conversion of the convertible loan of S\$1.5 million granted to the Company previously.
- (vi) With the reduced turnover, inventory had decreased to S\$4.3 million from S\$6.9 million as at 31 March 2009. Trade receivables and trade payables were similarly reduced.
- (vii) The net profit position for the period and the conversion of the additional loan resulted in the Group achieving a net current asset position of S\$9.9 million as at 28 February 2010.
- (viii) Net asset value as at 28 February 2010 was S\$8.8 million.

Consolidated Statement of Cash Flows

- (ix) The Group generated a net cash inflow of S\$2.4 million from its operating activities during the year. After utilisation for investing and financing activities, the group had a net cash and cash equivalent position at S\$8.8 million as at 28 February 2010, up from S\$7.6 mil at 31 Aug 2009.

Others

- (x) In compliance with regulatory requirements, the Company is changing its financial year-end from 31 March to 31 August, to follow the financial year-end of our parent company, Miyoshi Precision Limited.

The 1st interim half year results, based on the previous financial year-end, was announced on 4 November 2009. This present announcement is the 2nd interim half year results based on the new financial year-end.

Our next results reporting would be the full year results announcement for the 17 months from 1 April 2009 to 30 September 2010.

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

The Group did not make any forecast or prospect statement for the current period to shareholders.

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 effect the group in the next reporting period and the next 12 months.

While market sentiments had improved since the global financial crisis which started during the last quarter of year 2008, the Group continue to operate in a competitive and challenging operating environment and will maintain a cautious outlook.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current 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 dividend has been declared / recommended.

13 Interested Persons Transactions

During the financial period, there is no interested person transactions with aggregate value in excess of S\$100,000 conducted under review or under shareholders' mandate pursuant to Rule 920.

14 Negative assurance confirmation on interim financial results under SGX Listing Rule 705(4) of the Listing Manual

The directors of the Company confirm that to the best of their knowledge, nothing has come to their attention which may render the 2nd 1H interim for FY2010 financial results to be false or misleading.

BY ORDER OF THE BOARD

Ng Say Tiong
Company Secretary

9th April 2010

This document has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this document. This document has not been examined or approved by SGX-ST and SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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