



Miyoshi Precision Limited

Company Registration No. 198703979K

CLARIFICATION ON SGX ANNOUNCEMENT MADE ON DIVESTMENT OF 40% EQUITY STAKE IN PT. SM ENGINEERING

Further to the announcement (SGX Announcement No. 35) made by the Company on the divestment of 40% equity stake in PT. SM Engineering, the Company wishes to provide the following additional information:

Cash consideration

The cash consideration was arrived at on a willing-buyer and willing-seller basis and was based on the net asset value as at 31 August 2006. The net asset value of the assets disposed, as at 31 August 2006, excluding trade receivables owing to the Company, is S\$231,000. The trade receivables owing to the Company, as at 31 August 2006, is S\$1,500,000.

Impact

The Divestment is not expected to have any material impact on the net asset value or earnings per share of the Group for the current financial year ending 31 August 2007.

Interests of Directors and Controlling Shareholders

None of the Directors or the Controlling Shareholders of the Company has any interest, direct or indirect in the abovementioned Divestment.

By Order of the Board

Sin Kwong Wah Andrew

Chief Executive Officer

29 December 2006