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**FOR IMMEDIATE RELEASE**

**Miyoshi Precision Limited continues strong growth momentum with 81% jump in 1HFY07 net earnings to \$6.8 million as revenue surges 26% to \$81.7 million**

*Singapore, 11 April 2007* – Leading integrated metal-stamped precision parts specialist Miyoshi Precision Limited (“Miyoshi” or “The Group”) continues to build on its growth momentum with 81% rise in 1HFY07 net profit attributable to shareholders from \$3.7 million to \$6.8 million backed by revenue growth of 26% to \$81.7 million, from \$65.0 million in the same period last year. Net margins firmed up by more than two percentage points from 5.7% to 8.3% while earnings per share climbed by 81% from 1.35 cents to 2.44 cents. Total cash and bank balances and fixed deposits strengthened to \$20.8 million, from \$14.7 million as at 31 August 2006.

**Financial Highlights**

<b>(S\$)</b>	<b>1HFY07</b>	<b>1HFY06</b>	<b>% Change</b>
<b>Turnover</b>	81.7 mil	65.0 mil	26
<b>Profit Before Tax</b>	10.4 mil	4.5 mil	133
<b>Net profit attributable to shareholders</b>	6.8 mil	3.7 mil	81
<b>EPS</b>	2.44 cents	1.35 cents	81

The robust growth in net earnings were underpinned by two key factors: continued high levels of capacity utilization in Data Storage resulting in higher economies of scale as well as the efficacy of the Group’s Regional Business Ring strategy that has enabled it to locate its production operations in cost-competitive hubs in Thailand, Malaysia and China.

Data Storage continued to be the key revenue growth driver, posting a hefty 66% rise in sales to \$51.8 million, from \$31.2 million, buoyed by healthy demand for 3.5” and server drives. Consumer Electronics revenue, however, came in slightly lower at \$23.8 million as compared to last year’s \$26.9 million as 1HFY06 saw the tail-end of a program in the maturing stage of the production cycle whilst a new program only commenced in the later part of 1HFY07.

Similarly, Automotive revenue slid marginally from \$6.9 million to \$6.1 million due in part to some programs that have reached the maturity of its product cycle. The resultant excess capacity was put to good use in meeting the higher demand in the Data Storage Segment.

Mr Andrew Sin, Miyoshi's Chief Executive Officer said, "In line with the projections given by our key customers, we expect demand for our products to remain robust in the second half of this financial year.

"We are nonetheless mindful that fluctuations in raw materials prices and movements in foreign currency exchange rates would continue to pose as challenges," Mr Sin continued. Raw materials cost increased by 25.6% to \$53.0 million from \$42.2 million in line with increased business volume and higher unit cost. "To minimise the escalating impact of raw material prices, we would continue to work with our suppliers and customers to explore ways to manage raw materials costs," he added.

Mr Tan Kay Guan, Miyoshi's Chief Operating Officer said, "If not for foreign exchange differences, particularly the weakening US dollar against the Sing dollar, our revenue growth would have come in a notch higher by at least a few percentage points. To minimise the effect of the weaker US dollar against the Sing dollar on our bottom line, we are constantly ensuring that the bulk of our revenue and costs are matched in the same currency."

The Group also recorded much higher tax expense in 1HFY07, thereby impacting the bottom line, due to the expiration of certain tax concessions in the preceding financial year. Prior to this period, the Group enjoyed certain tax concessions in Thailand and the Philippines during which time profits in these countries were tax-exempt. As a result tax expense increased significantly from a mere \$0.1 million in 1HFY06 to \$2.8 million in 1HFY2007.

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#### **About Miyoshi Precision Limited**

Established in 1987 and subsequently listed on the SGX Main Board in September 2000, Miyoshi Precision Limited has grown progressively from a metal stamping plant to become an Integrated Engineering Corporation, with in-house capabilities ranging from new product development to mass production. Serving the Consumer Electronics, Data Storage and Automotive Industries, our Regional Business Ring revolves around our headquarter in Singapore and manufacturing plants in Singapore, Malaysia, Indonesia, Thailand, Philippines and China. Coupled with our strategic partner in Japan, this strategy of locating our operations in cost-competitive hubs beyond Singapore sites us in proximity with our customers and strongly positions us to capitalize on the opportunities in the region.

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