



Miyoshi Precision Limited
 Incorporated in the Republic of Singapore
 Company Registration No. 198703979K

Full Year 2008 Financial Statement And Dividend Announcement

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF FULL YEAR RESULTS

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

UNAUDITED RESULTS FOR THE FULL YEAR ENDED 31 AUGUST 2008

(Figures for FY2007 have been restated to account for the effects of a change in functional currency of the Company as explained in paragraph 5. All amounts in this announcement are stated in Singapore dollars except where otherwise indicated.)

INCOME STATEMENT	Note	Year Ended 31 August		Increase/ (Decrease)
		2008	2007 (restated)	
		S\$'000	S\$'000	%
Revenue		133,715	162,637	(17.8)
Other operating income	(i)	4,996	5,519	(9.5)
Changes in inventories of finished goods and work-in-process		(1,365)	2,387	(157.2)
Raw materials and consumables used		(83,780)	(103,845)	(19.3)
Employee benefits expenses		(16,662)	(19,366)	(14.0)
Depreciation expense		(4,781)	(4,722)	1.3
Other operating expenses	(ii)	(17,984)	(19,436)	(7.5)
Finance costs		(447)	(533)	(16.1)
Share of results of associates		23	7	228.6
Profit before income tax		13,715	22,648	(39.4)
Income tax expense		(1,834)	(4,664)	(60.7)
Profit for the period	(iii)	11,881	17,984	(33.9)
Attributable to:				
Equity holders of the Company		10,687	16,104	(33.6)
Minority interests		1,194	1,880	(36.5)
		11,881	17,984	(33.9)

NM = Not Meaningful

Notes:

1(a)(i) Other operating income includes the following:

OTHER OPERATING INCOME	Year ended 31 August	
	2008	2007 (restated)
	S\$'000	S\$'000
Gain on disposal of other investments	--	--
Gain on disposal of associate	--	401
Gain on disposal of property, plant and equipment	--	189
Income from sale of scrap	3,695	3,775
Interest income	288	274
Miscellaneous income	375	59
Other income	2	100
Negative goodwill on acquisition of additional interest	636	721
	4,996	5,519

1(a)(ii) Other operating expenses include the following:

OTHER OPERATING EXPENSES	Year ended 31 August	
	2008	2007 (restated)
	S\$'000	S\$'000
Maintenance	719	795
Professional fees	995	1,174
Supplies and services	8,273	10,279
Transportation and travelling	1,377	1,502
Utilities	3,044	2,889
Others	3,576	2,797
	17,985	19,436

1(a)(iii) In addition to the charges and credits disclosed in notes 1(a)(i) and 1(a)(ii), profit for the year is arrived at after charging/(crediting) the following:

	Year ended 31 August	
	2008	2007 (restated)
	S\$'000	S\$'000
(Over)/under provision of tax in respect of prior years	162	391
(Write-back) / allowance for doubtful receivables and loans receivable	(15)	(85)
Diminution in value of club membership	--	1
Allowance for inventory obsolescence	129	518
Bad debts written off	1	20
Foreign exchange loss (net)	1,360	106
Gain on disposal of property, plant and equipment	(23)	--
Loss on disposal of interest in a subsidiary	75	--
Share-based payments expense	201	227
Property, plant and equipment written off	257	--

1(a)(iv) The effect of the change in functional currency of the Company on the current year's income statement is:

INCOME STATEMENT	Year Ended 31 August		Increase/ (Decrease)
	2008 (after change)	2008 (before change)	
	S\$'000	S\$'000	%
Revenue	133,715	134,195	(0.4)
Other operating income	4,996	5,024	(0.6)
Changes in inventories of finished goods and Raw materials and consumables used	(1,365)	(1,622)	(15.8)
Employee benefits expenses	(83,780)	(84,257)	(0.6)
Depreciation expense	(16,662)	(16,777)	(0.7)
Other operating expenses	(4,781)	(5,001)	(4.4)
Finance costs	(17,984)	(19,886)	(9.6)
Share of results of associates	(447)	(449)	(0.5)
	23	23	0.8
Profit before income tax	13,715	11,250	21.9
Income tax expense	(1,834)	(1,844)	(0.5)
Profit for the period	11,881	9,407	26.3
Attributable to:			
Equity holders of the Company	10,687	8,212	30.1
Minority interests	1,194	1,194	--
	11,881	9,407	26.3

1(a)(v) The effect of the change in functional currency of the Company on the previous year's income statement is:

INCOME STATEMENT	Year Ended 31 August		Increase/ (Decrease)
	2007 (after change)	2007 (before change)	
	S\$'000	S\$'000	%
Revenue	162,637	163,069	(0.3)
Other operating income	5,519	5,509	0.2
Changes in inventories of finished goods and work-in-process	2,387	2,293	4.1
Raw materials and consumables used	(103,845)	(104,282)	(0.4)
Employee benefits expenses	(19,366)	(19,391)	(0.1)
Depreciation expense	(4,722)	(4,875)	(3.1)
Other operating expenses	(19,436)	(20,026)	(2.9)
Finance costs	(533)	(534)	(0.2)
Share of results of associates	7	7	--
Profit before income tax	22,648	21,770	4.0
Income tax expense	(4,664)	(4,648)	0.3
Profit for the period	17,984	17,122	5.0
Attributable to:			
Equity holders of the Company	16,104	15,242	5.7
Minority interests	1,880	1,880	--
	17,984	17,122	5.0

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

BALANCE SHEET	Group		Company	
	As at 31 August		As at 31 August	
	2008	2007 (restated)	2008	2007 (restated)
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets:				
Cash and bank balances	19,516	23,439	8,948	10,838
Fixed deposits	6,699	2,784	--	--
Trade receivables	30,049	39,673	22,914	28,481
Other receivables and prepayments	4,026	3,737	3,721	2,885
Inventories	11,816	13,882	3,044	4,191
Total current assets	72,106	83,515	38,627	46,395
Non-current assets:				
Investment in associates	18	7	55	59
Investment in subsidiaries	--	--	23,417	26,925
Available for sale financial assets	446	30	8	9
Other receivables	158	650	158	650
Property, plant and equipment	33,384	33,117	7,774	8,723
Deferred tax assets	120	23	--	--
Loans receivable	2,387	2,670	2,387	2,670
Total non-current assets	36,513	36,497	33,799	39,036
Total assets	108,619	120,012	72,426	85,431
LIABILITIES AND EQUITY				
Current liabilities:				
Bank overdrafts	443	481	--	--
Trade payables	18,994	26,158	9,237	15,571
Other payables	7,255	9,584	3,351	5,528
Income tax payable	2,140	5,393	1,826	2,701
Finance leases	797	793	365	335
Bank loans	5,274	8,679	5,100	8,100
Total current liabilities	34,903	51,088	19,879	32,235
Non-current liabilities:				
Finance leases	630	952	322	441
Bank loans	1,719	1,993	--	--
Deferred tax liabilities	1,000	899	514	459
Total non-current liabilities	3,349	3,844	836	900
Capital and reserves:				
Share capital	37,389	37,389	37,389	37,389
Treasury share reserve	(29)	--	(29)	--
Fair value reserve	(7)	(7)	--	--
Share options reserve	756	536	756	536
Currency translation reserve	(6,197)	(2,065)	(7,977)	(4,134)
Retained earnings	33,862	25,221	21,572	18,505
	65,774	61,074	51,711	52,296
Minority interests	4,593	4,006	--	--
Total equity	70,367	65,080	51,711	52,296
Total liabilities and equity	108,619	120,012	72,426	85,431

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

Amount repayable in one year or less, or on demand

As at 31 August 2008		As at 31 August 2007	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
971	5,100	950	8,522

Amount repayable after one year

As at 31 August 2008		As at 31 August 2007	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
2,349	--	2,945	--

Details of any collateral

The group's secured borrowing comprises finance leases and long-term bank loans.

The long-term loans are secured on:

- (i) legal charge over the leasehold land and building of a subsidiary
- (ii) legal charge over the freehold land and building of a subsidiary

The finance leases are secured on the plant and machinery under finance lease. The net book value of these plant and machinery as at 31 August 2008 is S\$2,967,000 (2007: S\$3,172,000).

1(b)(iii) The effect of the change in functional currency of the Company on the current year's balance sheet is:

	Group		Company	
	As at 31 August		As at 31 August	
	2008 (after change)	2008 (before change)	2008 (after change)	2008 (before change)
	S\$'000	S\$'000	S\$'000	S\$'000
Inventories	11,816	11,696	3,044	2,925
Investment in associates	18	18	55	68
Investment in subsidiaries	--	--	23,417	25,853
Property, plant and equipment	33,384	34,743	7,774	9,134
Deferred tax liabilities	1,000	1,000	514	514
Currency translation reserve	(6,197)	(670)	(7,977)	--
Retained earnings	33,862	29,563	21,572	17,275

1(b)(iv) The effect of the change in functional currency of the Company on the previous year's balance sheet is:

	Group		Company	
	As at 31 August		As at 31 August	
	2007 (after change)	2007 (before change)	2007 (after change)	2007 (before change)
	S\$'000	S\$'000	S\$'000	S\$'000
Inventories	13,882	13,862	4,191	4,171
Investment in associates	7	7	59	68
Investment in subsidiaries	--	--	26,925	28,425
Property, plant and equipment	33,117	34,089	8,723	9,698
Deferred tax liabilities	899	994	459	554
Currency translation reserve	(2,065)	559	(4,134)	--
Retained earnings	25,221	23,454	18,505	16,740

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

CASH FLOW STATEMENT	Group	
	For the Year ended 31 August	
	2008	2007 (restated)
	S\$'000	S\$'000
Operating activities:		
Profit before income tax and share of results of associates	13,692	22,642
Adjustments for:	-	-
Allowance for inventory obsolescence	129	518
Diminution in value of club membership	--	1
(Reversal)/allowance for doubtful trade receivables	(15)	(85)
Bad debts written off	1	20
Depreciation expense	4,781	4,722
Gain on disposal of interest in associate	--	(401)
Loss/(gain) on disposal of property, plant and equipment	(23)	(189)
Negative goodwill on acquisition of additional interest in subsidiary	(650)	(721)
Interest expense	447	533
Interest income	(288)	(281)
Property, plant and equipment written off	257	-
Share-based payments expense	220	227
Operating cash flows before movements in working capital	18,552	26,986
Trade receivables	9,640	(9,020)
Other receivables	204	(143)
Inventories	1,937	(2,886)
Trade payables	(7,163)	(1,696)
Other payables	(3,585)	2,458
Cash generated from operations	19,584	15,699
Interest paid	(447)	(533)
Interest received	288	274
Income tax paid	(5,094)	(1,875)
Dividends paid	(2,046)	(1,334)
Dividend paid to minority shareholders	(185)	(509)
Net cash from operating activities	12,100	11,722
Investing activities:		
Loan receivables	104	19
Proceeds from disposal of interest in associate	--	369
Acquisition of additional interest in subsidiary	(69)	(67)
Acquisition of other investment	(417)	--
Proceeds from disposal of property, plant and equipment	97	459
Purchase of property, plant and equipment (note 1)	(5,743)	(5,295)
Net cash used in investing activities	(6,028)	(4,515)
Financing activities:		
Proceeds from bank loans	--	9,406
Repayment of bank loans	(3,680)	(4,460)
Net repayments from finance leases	(560)	(855)
Proceeds from issue of shares	--	512
Repurchase of shares and held as treasury shares	(29)	--
Restricted cash	124	(126)
Net cash from/(used in) financing activities	(4,145)	4,477

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

CASH FLOW STATEMENT	Group	
	For the Year ended 31 August	
	2008	2007 (restated)
	S\$'000	S\$'000
Net effect of exchange rate changes in consolidating subsidiaries	(1,773)	2
(Decrease)/increase in cash	154	11,686
Cash at beginning of year	25,371	13,685
Cash at end of year	25,525	25,371
Cash at end of year includes the following:		
Cash and bank balances	19,516	23,439
Fixed deposits	6,699	2,784
Bank overdraft	(443)	(481)
	25,772	25,742
Restricted cash (Note 2)	(247)	(371)
Cash at end of year	25,525	25,371

Notes:

- (1) Property, plant and equipment
During the year, the group acquired mainly building, machinery, plant and equipment with an aggregate cost of S\$7,258,000 (2007: S\$6,471,000) of which S\$242,000 (2007: S\$931,000) was acquired by means of finance leases. S\$5,743,000 (2007: S\$5,295,000) was paid by cash while S\$1,273,000 (2007: S\$245,000) remained to be payable.
- (2) Restricted cash
Restricted cash pertains to fixed deposits of certain subsidiaries pledged with banks as securities for banking facilities granted.

1(c)(ii) The effect of the change in functional currency of the Company on the current year's cash flow statement is:

	Group	
	For the Year ended 31 August	
	2008 (after change)	2008 (before change)
	S\$'000	S\$'000
Cash generated from operations	19,584	17,440
Net cash from operating activities	12,100	9,900
Net cash used in investing activities	(6,028)	(5,991)
Net cash from/(used in) financing activities	(4,145)	(4,145)
Net effect of exchange rate changes in consolidating subsidiaries	(1,773)	389
Cash at end of year	25,525	25,525

1(c)(iii) The effect of the change in functional currency of the Company on the previous year's cash flow statement is:

	Group	
	For the Year ended 31 August	
	2007 (after change)	2007 (before change)
	S\$'000	S\$'000
Cash generated from operations	15,699	15,028
Net cash from operating activities	11,722	11,029
Net cash used in investing activities	(4,515)	(4,513)
Net cash from/(used in) financing activities	4,477	4,472
Net effect of exchange rate changes in consolidating subsidiaries	2	698
Cash at end of year	25,371	25,371

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

GROUP	Issue Capital	Treasury Share Reserve	Share Options Reserve	Fair Value Reserve	Currency Translation Reserve	Retained Earnings	Total Attributable to Equity Holders	Minority Interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 31 August 2006	22,871	--	311	--	(156)	23,545	46,571	3,235	49,806
Effect on the prior year of change in functional currency of the Company in the current year	3	--	--	--	(2,624)	905	(1,716)	--	(1,716)
Foreign exchange translation gain arising in the year	--	--	--	--	715	--	715	187	902
Fair value adjustment	--	--	--	(7)	--	--	(7)	--	(7)
Net (loss)/income recognised directly in equity	3	--	--	(7)	(1,909)	905	(1,008)	187	(821)
Net profit for the year	--	--	--	--	--	16,104	16,104	1,880	17,984
Total recognised income and expense for the year	3	--	--	(7)	(1,909)	17,009	15,096	2,067	17,163
Acquisition of additional interest in subsidiary	--	--	--	--	--	--	--	(787)	(787)
Dividends paid to minority shareholders	--	--	--	--	--	--	--	(509)	(509)
Dividends	--	--	--	--	--	(15,337)	(15,337)	--	(15,337)
Shares issued pursuant to rights issue	14,003	--	--	--	--	--	14,003	--	14,003
Share-based payments expense for the year	--	--	229	--	--	--	229	--	229
Share options lapsed	--	--	(4)	--	--	4	--	--	--
Issue of shares	512	--	--	--	--	--	512	--	512
Balance at 31 August 2007 (restated) (carried forward)	37,389	--	536	(7)	(2,065)	25,221	61,074	4,006	65,080

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

GROUP	Issue Capital	Treasury Share Reserve	Share Options Reserve	Fair Value Reserve	Currency Translation Reserve	Retained Earnings	Total Attributable to Equity Holders	Minority Interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 31 August 2007 (restated) (brought forward)	37,389	--	536	(7)	(2,065)	25,221	61,074	4,006	65,080
Foreign exchange translation gain arising in the year	--	--	--	--	(4,132)	--	(4,132)	291	(3,841)
Net (loss)/income recognised directly in equity	--	--	--	--	(4,132)	--	(4,132)	291	(3,841)
Net profit for the year	--	--	--	--	--	10,687	10,687	1,194	11,881
Total recognised income and expense for the year	--	--	--	--	(4,132)	10,687	6,555	1,485	8,040
Acquisition of additional interest in subsidiary	--	--	--	--	--	--	--	(714)	(714)
Dividends paid to minority shareholders	--	--	--	--	--	--	--	(184)	(184)
Dividends	--	--	--	--	--	(2,046)	(2,046)	--	(2,046)
Shares issued pursuant to rights issue	--	--	--	--	--	--	--	--	--
Share-based payments expense for the year	--	--	223	--	--	--	223	--	223
Share options lapsed	--	--	(3)	--	--	--	(3)	--	(3)
Issue of shares	--	--	--	--	--	--	--	--	--
Repurchase of share and held as treasury share	--	(29)	--	--	--	--	(29)	--	(29)
Balance at 31 August 2008	37,389	(29)	756	(7)	(6,197)	33,862	65,774	4,593	70,367

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

COMPANY	Issue Capital	Treasury Share Reserve	Share Options Reserve	Fair Value Reserve	Currency Translation Reserve	Retained Earnings	Total Attributable to Equity Holders	Minority Interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 31 August 2006	22,871	--	311	--	--	23,837	47,019	--	47,019
Effect on the prior year of change in functional currency of the Company in the current year	3	--	--	--	(4,134)	1,765	(2,366)	--	(2,366)
Net (loss)/income recognised directly in equity	3	--	--	--	(4,134)	1,765	(2,366)	--	(2,366)
Net profit for the year	--	--	--	--	--	8,236	8,236	--	8,236
Total recognised income and expense for the year	3	--	--	--	(4,134)	10,001	5,870	--	5,870
Dividends	--	--	--	--	--	(15,337)	(15,337)	--	(15,337)
Share-based payments expense for the year	--	--	229	--	--	--	229	--	229
Share options lapsed	--	--	(4)	--	--	4	--	--	--
Shares issued pursuant to rights issue	14,003	--	--	--	--	--	14,003	--	14,003
Issue of shares	512	--	--	--	--	--	512	--	512
Balance at 31 August 2007	37,389	--	536	--	(4,134)	18,505	52,296	--	52,296
Foreign exchange translation gain arising in the year	--	--	--	--	(3,843)	--	(3,843)	--	(3,843)
Net (loss)/income recognised directly in equity	--	--	--	--	(3,843)	--	(3,843)	--	(3,843)
Net profit for the year	--	--	--	--	--	5,113	5,113	--	5,113
Total recognised income and expense for the year	--	--	--	--	(3,843)	5,113	1,270	--	1,270
Dividends	--	--	--	--	--	(2,046)	(2,046)	--	(2,046)
Share-based payments expense for the year	--	--	223	--	--	--	223	--	223
Share options lapsed	--	--	(3)	--	--	--	(3)	--	(3)
Repurchase of share & held as treasury share	--	(29)	--	--	--	--	(29)	--	(29)
Balance at 31 August 2008	37,389	(29)	756	--	(7,977)	21,572	51,711	--	51,711

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.**

The Company did not issue any ordinary shares during the year ended 31 August 2008.

The number of ordinary shares that may be issued upon exercise of all share options outstanding as at 31 August 2008 was 6,064,000 (as at the end of the previous financial year was 6,090,000).

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

ORDINARY SHARES	31 August 2008	31 August 2007
	Shares	Shares
Ordinary shares in issue excluding treasury shares	420,536,490	420,669,490
Treasury shares	133,000	--
Ordinary shares in issue including treasury shares	420,669,490	420,669,490

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

The Company has purchased 133,000 ordinary shares by way of open market purchase under its shares buyback mandate. The Company holds these shares as treasury shares.

TREASURY SHARES	31 August 2008	31 August 2007
	Shares	Shares
Ordinary Shares		
Balance as at 1 September 2007	--	--
Purchased	133,000	--
Balance as at 31 August 2008	133,000	--

- 2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by our auditors.

- 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 same accounting policies and methods of computation as in the most recently audited annual financial statements have been applied except as described in paragraph 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 effect of, the change

The Company changed its functional currency from SGD to USD during the current financial year.

The Company sources steel, its primary raw material, mostly from Japan while its customers are predominantly multi-national companies who sell to a worldwide market. The majority of the Company's competitors are located in Asia. Hence, the selling price of the Company's products as well as the purchase price of its raw materials are determined by competitive forces in locations distributed across wide geographic regions.

Revenue is mostly denominated in USD while purchases are made in USD, Japanese Yen, and SGD. Most of its general and administrative expenses are in SGD, and financing activities are almost exclusively in SGD.

While the factors used to determine its functional currency are mixed; and following a re-evaluation of its functional currency, management is of the opinion that USD is the currency which most accurately reflects the primary economic environment in which the entity operates. Accordingly, the Company adopts USD as its functional currency with effect from the current financial year ended 31 August 2008. This change shall be applied retrospectively to the prior years.

The Company and the group continues to present its accounts in SGD consistent with prior years.

6. Earnings 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

EARNINGS PER SHARE	31 August 2008	31 August 2007 (restated)
	Cents	Cents
(i) Based on weighted average number of ordinary shares in issue	2.54	3.83
(ii) On a fully diluted basis	2.54	3.82

Basic earnings per share (EPS) is computed based on the weighted average number of shares in issue during the financial year. The weighted average number of ordinary shares represents the number of ordinary shares at the beginning of the financial year, adjusted for new ordinary shares issued during the financial year, multiplied by a time-weighted factor.

Fully diluted EPS is computed based on the weighted average number of ordinary shares in issue, adjusted for the effect of dilutive options during the financial year. Options that are anti-diluted are ignored in the computation

The effect of the change in functional currency of the Company on the current year's earnings per share is:

EARNINGS PER SHARE	31 August 2008 (after change)	31 August 2008 (before change)
	Cents	Cents
(i) Based on weighted average number of ordinary shares in issue	2.54	1.95
(ii) On a fully diluted basis	2.54	1.95

The effect of the change in functional currency of the Company on the previous year's earnings per share is:

EARNINGS PER SHARE	31 August 2007 (after change)	31 August 2007 (before change)
	Cents	Cents
(i) Based on weighted average number of ordinary shares in issue	3.83	3.62
(ii) On a fully diluted basis	3.82	3.62

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year

NET ASSET VALUE PER SHARE	Group	Company
	Cents	Cents
As at 31 August 2008	15.64	12.29
As at 31 August 2007 (restated)	14.52	12.43

Net asset per share is calculated based on the existing number of shares in issue of 420,536,490 (31 August 2007: 420,669,490) excluding treasury shares.

The effect of the change in functional currency of the Company on the current year's net asset value per ordinary share is:

NET ASSET VALUE PER SHARE	Group	Company
	Cents	Cents
As at 31 August 2008 (after change)	15.64	12.29
As at 31 August 2008 (before change)	15.93	13.17

The effect of the change in functional currency of the Company on the previous year's net asset value per ordinary share is:

NET ASSET VALUE PER SHARE	Group	Company
	Cents	Cents
As at 31 August 2007 (after change)	14.52	12.43
As at 31 August 2007 (before change)	14.72	12.99

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 affected 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.**

Income Statement

Revenue

Group revenue for the FY2008 was \$133.7m as compared with \$162.6m for FY2007, a fall of \$28.9m or 17.8%. Revenue from the Data Storage (DS), Consumer Electronic (CE) and Automotive & Others (A&O) business segments fell 20.7%, 12.3% and 14.5% respectively.

For a few DS products, a change of material specification together with associated price adjustment resulted in lower selling price. Another range of DS products had the specification migrated from 3.5" to 2.5" form factor, as a result, bill of material decreased and selling price also came down correspondingly.

The CE businesses had been operating under competitive market conditions since the last financial year. These same conditions prevailed into FY2008 resulting in a fall in both sales volume and revenue.

Profit

Group profit after tax fell 33.6% at \$10.7 for FY2008 as compared with \$16.1m last year.

For certain DS products, there were reductions selling price with corresponding lower direct material cost for the reasons explained above. While margins were generally maintained on these products, absolute profit declined due to the lower revenue as well as the effect of fixed cost being absorbed over a smaller revenue base.

In the case of CE, sales price erosion in a competitive market environment resulted in thinner margins.

Other operating income

Last year, gains of \$0.7m were made from an acquisition of equity stake in Miyoshi Saitoh Pte Ltd and \$0.4m from the disposal of PT SM Engineering. In FY2008, there was a gain of \$0.6m from the acquisition of equity shares in Miyoshi Precision (Thailand) Co., Ltd. These one-off transactions account for most of the decline in Other Operating Income as compared with last year.

Changes in inventories of finished goods and work-in-process

The debit in the income statement for changes in inventory of finished goods and work-in-progress of \$1.4m represents lower closing inventory levels in line with lower material cost for DS and lower production volumes for CE.

Raw materials and consumables used

Raw Materials and Consumables Used decreased by 19.3% to \$83.8m in FY2008 from \$103.8m in FY2007. Cheaper raw material due to change of materials specification on some 3.5" drives and lower raw material usage on a range of drives migrating from 3.5" to 2.5" accounted for most of the decrease in FY2008.

Employee benefits expenses

In FY2008, employee benefits expenses incurred by the group amounted to \$16.7m, as compared to \$19.4m in FY2007. The decrease of 14.0% was due mainly to lower staff bonuses corresponding with the lower profit for the year.

Other operating expenses

Other operating expenses for FY2008 amounted to \$17.9 as compared to \$19.4m for FY2007, a decline of \$1.5m or 7.5%.

In FY2008, the SGD and MYR strengthened against the USD for the first three quarters of the year and weakened in the last quarter resulting in a total foreign currency exchange loss of \$1.4m, which is included in Other Operating Expenses. Excluding foreign exchange losses, the decrease in Other Operating Expenses for FY2008 would be in line with the decrease in business activity.

Share of results of associates

The group's share of results of associates for FY2008 was \$0.02m from our interest in Miyoshi International Philippines, Inc.

Income tax expense

Income tax expenses for the FY2008 decreased by \$2.8m over the FY2007 mainly due to lower profit before tax.

Balance Sheet

Total equity attributable to the shareholders of the group grew by 7.7% to \$65.8m as at 31 August 2008 as compared to \$61.0m as at 31 August 2007. Out of the current year group earnings of \$10.7m, a dividend of \$2.0m declared last year was paid in the current year resulting in the retained earnings growing by a net of \$8.7m.

The group's cash (cash & bank balances plus fixed deposits net of bank overdrafts) rose marginally by \$0.03m to \$25.8m as at 31 August 2008.

Trade payables, inventories and trade receivables, all declined in tandem with lower purchases, inventory levels and revenue of the current year.

Borrowings (bank loans plus finance leases) decreased from \$12.4m as at 31 August 2007, to \$8.4m as at 31 August 2008 with repayments being made out of cash generated from operations.

The balance in the group's currency translation reserve account was \$6.2m at the end of the current year, an increase of \$4.1m from the year before, while the Company's balance increased by \$3.8m. Movements in the currency translation balance was largely due to a translation of the SGD balances in the books of Miyoshi Precision Limited to USD as it changed its accounting functional currency from SGD to USD (see paragraph 5).

Cash Flow Statement

During FY2008, \$12.1m of cash was generated from operating activities. \$6.0m of cash was used in investment activities, mainly for the purchase of factory machinery for our Thailand and Singapore operations; and \$4.1m of cash was used in financing activities, primarily to repay bank borrowings.

The group's cash (cash & bank balances plus fixed deposits net of bank overdrafts) after excluding restricted cash rose marginally by \$0.2m to \$25.5m as at 31 August 2008.

Other Significant Matters

Investment in Giken Sakata (S) Limited

On 5 February 2008, the Company gave Giken Sakata (S) Limited ("Giken") the first tranche of a convertible loan of \$1.5 million pursuant to the terms of an investment agreement ("Agreement") dated 4 February 2008 and approved by the Company's shareholders at an extraordinary general meeting held on 25 August 2008. This loan was converted to 23,529,411 new ordinary shares of Giken ("Shares") on 15 September 2008, representing approximately 27.64% of Giken's ordinary share capital. The Agreement further gives the Company the option to provide a second convertible loan tranche of \$1.5 million which is convertible to 46,382,189 Shares. Should the second tranche be fully converted, the Company would, in aggregate, own approximately 53.16% of Giken's ordinary share capital. As at the date of approval of these financial statements, the second loan tranche had not been disbursed.

The results of the group in this announcement do not include those of Giken as the Shares were issued to the Company only after the end of the financial year. Disclosure of the carrying amounts and the fair values of the identifiable assets and liabilities acquired is not practicable due to the following:

- (a) The financial statements of Giken immediately before the acquisition have not been completed as of the date of approval of these financial statements; and
- (b) There is no readily available fair value considering the short time frame between the date of acquisition and the date of approval of this announcement.

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

In our announcement for the 1st half of FY2008 (1HFY2008), we said that “Over the next 12 months (ending 28 February 2009), we expect that average monthly sales volumes for our DS and A&O products will be comparable with 1HFY2008, while volumes for CE products may decline due to competitive market conditions. The possibility of further weakening of the USD, escalations in raw material prices and uncertainties in general economic conditions continue to be a source of concern for us. Given these factors, we foresee that revenue and profit for the second half of FY2008 may continue to be under pressure.”

These comments are generally consistent with the results of the current year.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Uncertainties in general economic conditions prevailing during FY2008 have been exacerbated by the emerging crisis originating from the US financial institutions. The effects of this crisis have started to spread globally and threatens to filter into the real economy. These factors continue to be a major source of concern for us while at the same time makes it difficult to reliably forecast our results.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? **Yes**

Name of Dividend	Interim	Final	Final Special
Dividend Type	Nil	Cash	Nil
Dividend Rate	Nil	0.3 cent per share	Nil
Tax Rate	Nil	Tax exempt (one-tier) dividend	Nil

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? **Yes**

Name of Dividend	Interim	Final	Final Special
Dividend Type	Cash	Cash	Cash
Dividend Rate	6.1 cents per share	0.4 cent per share	0.1 cent per share
Tax Rate	18%	Tax exempt (one-tier) dividend	Tax exempt (one-tier) dividend

(c) Date payable

The proposed final dividends will be paid on 29 January 2009 if approved at the Annual General Meeting to be held on 29 December 2008.

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 13 January 2009 for the purpose of determining shareholders' entitlements to the dividend which will be proposed at the Annual General Meeting of the Company to be held on 29 December 2008. Duly completed transfers in respect of the shares in the Company received by the Company's Share Registrar in Singapore, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. at 3 Church Street #08-01 Samsung Hub Singapore 049483 up to the close of business at 5.00 p.m. on 12 January 2009, will be registered to determine shareholders' entitlements to the proposed dividend. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said dividend will be paid by the Company to the CDP which will in turn distribute entitlements to holders of the shares in accordance with its practice.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

ANALYSIS BY BUSINESS SEGMENTS	Data Storage		Consumer Electronics		Automotive & Others		Elimination		Group	
	2008	2007 (restated)	2008	2007 (restated)	2008	2007 (restated)	2008	2007 (restated)	2008	2007 (restated)
Revenue	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
External sales	81,390	102,676	41,318	47,090	11,007	12,871	--	--	133,715	162,637
Inter-segment sales	--	--	--	--	--	--	--	--	--	--
Total revenue	81,390	102,676	41,318	47,090	11,007	12,871	--	--	133,715	162,637
Results										
Profit from operations	8,615	14,671	3,455	5,242	1,780	2,987	--	--	13,851	22,900
Interest expense									(447)	(533)
Interest income									288	274
Share of result of associates									23	7
Profit before tax and minority interest									13,715	22,648
Income tax expense									(1,834)	(4,664)
Profit after tax									11,881	17,984
Attributable to:										
Equity Holders of the Company									10,687	16,104
Minority Interests									1,194	1,880
									11,881	17,984

ANALYSIS BY GEOGRAPHICAL SEGMENTS	Revenue		Total Assets		Capital Expenditure	
	2008	2007 (restated)	2008	2007 (restated)	2008	2007 (restated)
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	19,150	28,960	38,318	47,146	1,298	1,761
Malaysia	22,662	28,289	14,221	13,540	1,765	2,311
Thailand	56,727	40,526	34,430	41,908	1,591	1,551
Philippines	11,563	12,527	10,666	10,696	481	776
China	20,913	48,884	10,984	6,722	2,123	72
Others	2,700	3,451	--	--	0	--
Total	133,715	162,637	108,619	120,012	7,258	6,471

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Business Segment

As explained in paragraph 8 above.

15. A breakdown of sales

GROUP SALES	FY2008	FY2007 (restated)	Increase/ (Decrease)
	S\$'000	S\$'000	%
(a) Sales reported for first half year	73,289	81,397	(10.0)
(b) Profit after tax before deducting minority interests reported for first half year	6,022	7,939	(24.1)
(c) Sales reported for second half year	60,426	81,240	(25.6)
(d) Profit after tax before deducting minority interests reported for second half year	5,859	10,045	(41.7)

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Total Annual Dividend

	FY2008	FY2007 (restated)
	S\$'000	S\$'000
Ordinary interim dividend after tax at 18%	--	14,003
Ordinary final dividend, tax exempt (one-tier)	1,262	1,680
Special dividend, tax exempt (one-tier)	--	420
Total	1,262	16,103

17. Interested Person Transactions

Interested person transactions conducted for the financial year ended 31 August 2008 were as follows:

Name of interested person	Aggregate Value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate Value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	S\$	S\$
Miyoshi Industry Co., Ltd		
<u>Type of transactions</u>		
Purchases	Nil	443,500
Sales commission	Nil	1,935,908
Marketing services	Nil	212,457
Total	Nil	2,591,865

BY ORDER OF THE BOARD

SIN KWONG WAH, ANDREW
 CHIEF EXECUTIVE OFFICER
 24 October 2008