



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

## **2009 Half Year Financial Statement And Dividend Announcement**

### **PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR**

- 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 HALF YEAR ENDED 28 FEBRUARY 2009**

(Figures for the half year ended 29 February 2008 have been restated to account for the effects of a change in functional currency of Miyoshi Precision (Malaysia) Sdn. Bhd., a subsidiary of the company. All amounts in this announcement are stated in Singapore dollars except where otherwise indicated.)

<b>INCOME STATEMENT</b>	<b>Note</b>	<b>Half Year Ended</b>		
		<b>28-Feb-09</b>	<b>29-Feb-08</b>	<b>Change</b>
		<b>S\$'000</b>	<b>Restated S\$'000</b>	<b>%</b>
<b>Revenue</b>		<b>51,122</b>	<b>73,277</b>	<b>-30.2%</b>
Other operating income	(i)	1,937	2,703	-28.4%
Changes in inventories of finished goods and work-in-process		(1,111)	(185)	500.5%
Raw materials and consumables used		(30,439)	(47,912)	-36.5%
Employee benefits expenses		(7,542)	(8,795)	-14.2%
Depreciation expense		(2,399)	(2,385)	0.6%
Other operating expenses	(ii)	(8,538)	(9,754)	-12.5%
Finance costs		(174)	(257)	-32.4%
Share of results of associates		394	135	191.9%
<b>Profit before income tax</b>		<b>3,250</b>	<b>6,827</b>	<b>-52.4%</b>
Income tax expense		(460)	(932)	-50.7%
<b>Profit for the period</b>	(iii)	<b>2,790</b>	<b>5,895</b>	<b>-52.7%</b>
Attributable to:				
Equity holders of the Company		2,931	5,310	-44.8%
Minority interests		(141)	585	-124.0%
<b>Profit for the period</b>		<b>2,790</b>	<b>5,895</b>	<b>-52.7%</b>

**NM: Not Meaningful**

**Notes:**

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

<b>OTHER OPERATING INCOME</b>	<b>Half Year Ended</b>	
	<b>28-Feb-09</b>	<b>29-Feb-08</b>
	<b>S\$'000</b>	<b>Restated S\$'000</b>
Income from sales of scrap	686	1,670
Interest income from associate	18	39
Interest income from non-related companies	140	54
Miscellaneous income	99	210
Negative goodwill on acquisition of additional interest in subsidiary	-	650
Negative goodwill on acquisition of associate	925	-
Other income	21	80
Rental income	48	-
	<b>1,937</b>	<b>2,703</b>

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

<b>OTHER OPERATING EXPENSE</b>	<b>Half Year Ended</b>	
	<b>28-Feb-09</b>	<b>29-Feb-08</b>
	<b>S\$'000</b>	<b>Restated S\$'000</b>
Maintenance	417	338
Supplies and services	3,110	4,390
Professional fees	679	331
Transportation and travelling	658	704
Utilities	1,388	1,540
Others	2,286	2,451
	<b>8,538</b>	<b>9,754</b>

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

<b>OTHER CHARGES AND CREDITS</b>	<b>Half Year Ended</b>	
	<b>28-Feb-09</b>	<b>29-Feb-08</b>
	<b>S\$'000</b>	<b>Restated S\$'000</b>
Allowance for/(reversal of) doubtful trade receivables	226	(15)
Foreign exchange adjustment (gain)/loss (net)	(114)	930
Allowance for inventory obsolescence	1,187	65
Under provision of tax in respect of prior years	-	139
Loss on disposal of property, plant and equipment	324	20
Share based payments expense	51	151
Allowance for impairment of machinery	43	-
Property, plant and equipment written off	-	252

**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 SHEETS	Group		Company	
	As At		As At	
	28-Feb-09 S\$'000	31-Aug-08 Restated S\$'000	28-Feb-09 S\$'000	31-Aug-08 Restated S\$'000
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and bank balances	16,807	19,519	9,000	8,948
Fixed deposits	11,848	6,699	-	-
Trade receivables	17,987	30,053	16,443	22,914
Other receivables and prepayments	3,318	4,025	1,734	3,721
Inventories	8,801	11,818	2,848	3,044
<b>Total current assets</b>	<b>58,761</b>	<b>72,114</b>	<b>30,025</b>	<b>38,627</b>
<b>Non-current assets:</b>				
Investment in associates	2,847	18	1,700	55
Subsidiaries	-	-	25,229	23,155
Available-for-sale financial assets	480	439	9	8
Other receivable and prepayments	-	158	-	158
Property, plant and equipment	36,732	32,966	8,327	7,775
Deferred tax assets	123	120	-	-
Loan receivable	4,351	2,387	4,125	2,387
<b>Total non-current assets</b>	<b>44,533</b>	<b>36,088</b>	<b>39,390</b>	<b>33,538</b>
<b>Total assets</b>	<b>103,294</b>	<b>108,202</b>	<b>69,415</b>	<b>72,165</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Bank overdrafts	649	443	-	-
Trade payables	9,863	19,006	5,322	9,237
Other payables and accruals	6,370	7,256	3,177	3,350
Income tax payable	1,528	2,140	1,465	1,827
Finance leases	835	797	401	365
Bank loans	3,233	5,274	3,000	5,100
<b>Total current liabilities</b>	<b>22,478</b>	<b>34,916</b>	<b>13,365</b>	<b>19,879</b>
<b>Non-current liabilities:</b>				
Finance leases	772	630	132	322
Other loans	257	-	-	-
Bank loans	1,616	1,721	-	-
Deferred tax liabilities	1,052	990	562	514
<b>Total non-current liabilities</b>	<b>3,697</b>	<b>3,341</b>	<b>694</b>	<b>836</b>
<b>Total liabilities</b>	<b>26,175</b>	<b>38,257</b>	<b>14,059</b>	<b>20,715</b>
<b>Capital and reserves:</b>				
Share capital	37,389	37,389	37,389	37,389
Treasury share reserve	(55)	(29)	(55)	(29)
Fair value reserve	(7)	(7)	-	-
Share options reserve	807	756	807	756
Currency translation reserve	(853)	(6,318)	(3,218)	(7,975)
Retained earnings	35,252	33,561	20,433	21,309
<b>Total capital and reserves</b>	<b>72,533</b>	<b>65,352</b>	<b>55,356</b>	<b>51,450</b>
Minority interests	4,586	4,593	-	-
<b>Total equity</b>	<b>77,119</b>	<b>69,945</b>	<b>55,356</b>	<b>51,450</b>
<b>Total liabilities and equity</b>	<b>103,294</b>	<b>108,202</b>	<b>69,415</b>	<b>72,165</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As At 28 February 2009 S\$'000		As At 31 August 2008 Restated S\$'000	
Secured	Unsecured	Secured	Unsecured
1,068	3,000	971	5,100

**Amount repayable after one year**

As At 28 February 2009 S\$'000		As At 31 August 2008 Restated S\$'000	
Secured	Unsecured	Secured	Unsecured
2,388	257	2,351	Nil

**Details of any collateral.**

The Group's secured borrowing comprises finance leases and long-term bank loans. The Group's unsecured borrowing comprises other loans from minority shareholders of Miyoshi Precision (Thailand) Co.,Ltd, a subsidiary of the Company.

The long-term bank loans are secured on:

- (a) legal charge over the leasehold land and building of a subsidiary and a letter of comfort by the company.
- (b) legal mortgage over the freehold land and building of a subsidiary and a corporate guarantee of the company.

The finance leases are secured on the plant and machinery under finance lease. The net book value of these plant and machinery as at 28 February 2009 is S\$2,767,000 (31 August 2008: S\$2,930,000).

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

CONSOLIDATED CASH FLOW STATEMENT	Group	
	Half Year Ended	
	28-Feb-09	29-Feb-08
	S\$'000	Restated S\$'000
<b>Operating activities:</b>		
Profit before income tax and share of results of associate	2,856	6,692
Adjustments for:		
Allowance for inventory obsolescence	1,187	65
Allowance for/(reversal of) doubtful trade receivables	226	(15)
Depreciation expense	2,399	2,385
Loss on disposal of property, plant and equipment	324	20
Negative goodwill on acquisition of additional interest in subsidiary	-	(650)
Negative goodwill on acquisition of associate	(925)	-
Interest expense	174	257
Interest income	(158)	(93)
Property, plant and equipment written off	-	252
Share-based payments expense	51	151
Allowance for impairment of machinery	43	-
<b>Operating cash flows before movements in working capital</b>	<b>6,177</b>	<b>9,064</b>
Trade receivables	11,840	9,408
Other receivables and prepayments	(634)	998
Inventories	1,867	1,445
Trade payables	(9,143)	(6,818)
Other payables and accruals	(1,778)	(2,150)
<b>Cash generated from operations</b>	<b>8,329</b>	<b>11,947</b>
Interest paid	(174)	(257)
Interest received	158	93
Income tax paid	(1,239)	(3,966)
Dividends paid	(1,267)	(2,093)
Dividend paid to minority shareholders	-	(184)
<b>Net cash from operating activities</b>	<b>5,807</b>	<b>5,540</b>
<b>Investing activities:</b>		
Loans receivable	(1,518)	48
Acquisition of additional interest in subsidiary	-	(69)
Acquisition of other investment	-	(404)
Proceeds from disposal of property, plant and equipment	50	149
Purchase of property, plant and equipment	(2,632)	(2,288)
<b>Net cash used in investing activities</b>	<b>(4,100)</b>	<b>(2,564)</b>

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

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)	Group	
	Half Year Ended	
	28-Feb-09	29-Feb-08
	S\$'000	Restated S\$'000
<b>Financing activities:</b>		
Proceeds from bank loans	3,000	-
Proceeds from other loans	257	-
Repayment of bank loans	(5,145)	(3,599)
Repayments for finance leases	(377)	(481)
Repurchase of shares and held as treasury shares	(26)	(29)
Restricted cash	(10)	(1)
<b>Net cash used in financing activities</b>	<b>(2,301)</b>	<b>(4,110)</b>
Net effect of exchange rate changes on consolidation	2,815	(2,324)
Increase in cash and cash equivalents	<b>2,221</b>	<b>(3,458)</b>
Cash and cash equivalents at beginning of year	25,527	25,425
<b>Cash and cash equivalents at end of year</b>	<b>27,748</b>	<b>21,967</b>
Cash and cash equivalents at end of year includes the following:		
Cash and bank balances	16,807	17,735
Fixed deposits	11,848	5,144
Bank overdraft	(649)	(540)
	<b>28,006</b>	<b>22,339</b>
Restricted cash	(258)	(372)
<b>Cash and cash equivalents at end of year</b>	<b>27,748</b>	<b>21,967</b>

**Note 1:**Property, plant and equipment

ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT	Half Year Ended	
	28-Feb-09	29-Feb-08
	S\$'000	Restated S\$'000
Acquisitions of property, plant and equipment at cost	4,082	2,702
Financed by:		
Finance leases	558	333
Bank loan	-	93
Cash	2,632	2,195
Trade credit	892	81
	4,082	2,702

Property plant and equipment acquired by the group during the period comprised mainly plant and equipment and property.

**Note 2:**Acquisition of Interest in Associate

A convertible loan of \$1,500,000 (included in Other Receivables and Prepayments) given by the company to Giken Sakata (S) Limited ("Giken") on 18 February 2008, was converted into ordinary Giken shares on 15 September 2008, giving the company a 27.64% equity interest in Giken.

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.

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 28 FEBRUARY 2009	Issued Capital	Treasury Share Reserve	Share Options Reserve	Fair Value Reserve	Currency Translation Reserve	Retained Earnings	Total Attributable to Equity Holders of the company	Minority Interest	Total Equity
GROUP	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 31 August 2007</b>	37,389	-	536	(7)	(2,065)	25,221	61,074	4,006	65,080
Effect of change in functional currency of a subsidiary in the prior year	-	-	-	-	(3)	(287)	(290)	-	(290)
Foreign exchange translation gain arising in the year	-	-	2	-	(4,470)	-	(4,468)	(55)	(4,523)
Fair value adjustment	-	-	-	-	-	-	-	-	-
<b>Net loss recognised directly in equity</b>	-	-	2	-	(4,473)	(287)	(4,758)	(55)	(4,813)
Net profit for the year	-	-	-	-	-	5,310	5,310	585	5,895
<b>Total recognised income and expense for the year</b>	-	-	2	-	(4,473)	5,023	552	530	1,082
Acquisition of additional interest in subsidiary	-	-	-	-	-	-	-	(718)	(718)
Dividends paid to minority shareholders	-	-	-	-	-	-	-	(184)	(184)
Dividends	-	-	-	-	-	(2,093)	(2,093)	-	(2,093)
Share-based payments expense for the year	-	-	151	-	-	-	151	-	151
Issue of shares	-	(29)	29	-	-	-	-	-	-
<b>Balance at 29 Feb 2008 (restated)</b>	37,389	(29)	718	(7)	(6,538)	28,151	59,684	3,634	63,318
<b>Balance at 31 Aug 2008 (restated)</b>	37,389	(29)	756	(7)	(6,197)	33,862	65,774	4,593	70,367
Effect of change in functional currency of a subsidiary in the prior year	-	-	-	-	(121)	(301)	(422)	-	(422)
Foreign exchange translation (loss)/gain arising in the year	-	-	(26)	-	5,465	27	5,466	134	5,600
Fair value adjustment	-	-	-	-	-	-	-	-	-
<b>Net (loss)/income recognised directly in equity</b>	-	-	(26)	-	5,344	(274)	5,044	134	5,178
Net profit for the year	-	-	-	-	-	2,931	2,931	(141)	2,790
<b>Total recognised income and expense for the year</b>	-	-	(26)	-	5,344	2,657	7,975	(7)	7,968
Dividends	-	-	-	-	-	(1,267)	(1,267)	-	(1,267)
Share-based payments expense for the year	-	-	51	-	-	-	51	-	51
Repurchase of share and held as treasury share	-	(26)	26	-	-	-	-	-	-
<b>Balance at 28 Feb 2009</b>	37,389	(55)	807	(7)	(853)	35,252	72,533	4,586	77,119

**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 6 months ended 28 February 2009.

The number of ordinary shares that may be issued upon exercise of all share options outstanding as at 28 February 2009 was 6,064,000 (as at 29 February 2008 was 6,090,000).

During the 6 months ended 28 February 2009, the company purchased 366,000 of its ordinary shares by way of open market purchase under its Share Purchase Mandate (6 months ended 29 February 2008: 133,000 ordinary shares). These shares purchased are held as as treasury shares. As at 28 February 2009, the company holds 499,000 treasury shares (29 February 2008: 133,000 shares).

**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.**

	<b>As At 28 February 2009</b>	<b>As At 31 August 2008</b>
Total number of issued shares	420,669,490	420,669,490
Less: Treasury shares	499,000	133,000
Total number of shares excluding treasury shares	420,170,490	420,536,490

**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.**

During the current financial period, 366,000 shares were repurchased by the company and held as treasury shares.

**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 Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period ended 28 February 2009 as in the Group's most recently audited financial statements for the financial year ended 31 August 2008.

**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.**

Not applicable.

**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.**

	<b>Half year ended 28 February 2009</b>	<b>Half year ended 29 February Restated 2008</b>
(i) Based on weighted average number of ordinary shares in issue	0.70 cents	1.26 cents
(ii) On a fully diluted basis	0.70 cents	1.26 cents

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

Diluted earnings per share is computed based on the weighted average number of ordinary shares in issue, adjusted for the effect of dilutive options during the financial period.

The company has purchased 366,000 shares during 6 months ended 28 February 2009. The shares are being held as treasury shares. The weighted average number of shares is computed based on issued shares excluding treasury shares.

**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 issuers at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	<b>Group</b>	<b>Company</b>
As at 28 February 2009	17.26 cents	13.17 cents
As at 31 August 2008 (Restated)	15.54 cents	12.23 cents

Net asset per share is calculated based on the existing number of shares in issue of 420,170,490 (31 August 2008: 420,536,490).

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 (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.**

### **Revenue**

Group revenue for the first half of FY2009 ("1HFY2009") was \$51.12m as compared with \$73.28m for the corresponding period last year ("last year" or 1HFY2008), a fall of \$22.16m or 30.2%. Revenue from the Data Storage and Automotive & Others business segments fell by 46.3%, and 21.4% respectively, while Consumer Electronics grew by 7.3%.

The global financial crisis which began in the early part of the last financial year, and which has since spread into the real economy, had a significant negative impact on our shipment volumes during the current period, especially so in the second quarter. While sales volumes have declined, average selling prices have remained constant as compared with last year.

### **Profit**

Profit after tax ("profit") for 1HFY2009 fell by \$3.11m or 52.7% to \$2.79m as compared with \$5.90m for last year.

Profit for 1HFY2009 includes a one-off gain of \$0.92m negative goodwill arising from an acquisition of a 27.64% equity interest in Giken Sakata (S) Limited ("Giken"). The company had no prior investment in Giken, and with this acquisition, Giken becomes an associate of the company. In 1HFY2008, there was a similar one-off gain of \$0.65m from the acquisition of additional shares in Miyoshi Precision (Thailand) Co., Ltd. (MPT), a subsidiary of the company. Profit for 1HFY2009 also includes a \$0.42m equity share of Giken's profit, which represents a new income stream for the Group.

Excluding these one-off gains, profit for 1HFY2009 fell \$3.38m or 64.4% to \$1.87m as compared with \$5.25m for last year, with lower sales volumes underlying the fall.

### **Other Operating Income**

Other operating income for 1HFY2009 was \$1.94m as compared with \$2.70m last year, a decrease of \$0.76m. Scrap sales was lower by \$0.98m in line with lower production volumes. Other operating income for 1HFY2009 included a gain of \$0.92m negative goodwill from an acquisition of equity interest in Giken; while in 1HFY2008 there was a similar gain of \$0.65m from the acquisition of additional shares in MPT.

### **Changes in Inventories of Finished Goods and Work-in-Process**

Changes in inventories of finished goods and work-in-progress in the income statement showed a decline of \$0.19m in 1HFY2008, with a larger decline of \$1.11m in 1HFY2009. These changes in inventory balances reflected the relative weakness in sales orders and production activity for their respective periods.

### **Operating Expenses**

Raw materials and consumables used declined by \$17.47m (36.5%) in line with lower production volumes.

Employee benefits expenses fell \$1.25m (14.2%) as a result of measures taken to align staffing levels to current business requirements.

Other operating expenses ("OOE") reduced by \$1.22m (12.5%) to \$8.54m this year as compared with \$9.76m last year. Lower spending on supplies and services associated with a contraction in business activity reduced OOE by \$1.28m; foreign exchange adjustment gain resulting from favourable movements in the USD-SGD exchange rate also reduced OOE by \$1.04m; while higher allowance for inventory obsolescence increased OOE by \$1.12m. Higher provisions for potential inventory obsolescence were made during the current period in view of the prevailing business uncertainty.

### **Share of Results of Associates**

The Group's share of results of associates for 1HFY2009 was \$0.39m as compared with \$0.14m last year. The acquisition of an equity interest in Giken Sakata during the period contributed to the increase.

### **Income Tax Expense**

Income tax expense declined by 50.7% in line with lower profit before tax.

### **Balance Sheet**

Total equity grew by \$7.17m to \$77.12m as at 28 February 2009, as compared with \$69.95m as at 31 August 2008. \$5.47m of this increase in equity is due to a fall in the exchange translation reserve (debit) balance. This fall in the exchange translation reserve is due primarily to a strengthening of the USD exchange rate against the SGD. Profit for the current period contributed \$2.93m to equity growth, while a dividends paid reduced equity by \$1.27m.

Trade receivables, trade payables and inventory fell \$12.07m, \$9.14m and \$3.02m respectively as compared with 31 August 2008 in line with lower business activity.

As at the end of 1HFY2009, cash (cash & bank, fixed deposits net of bank overdraft) balance was \$28.01m while borrowings (bank loans, other loans and finance leases) stood at \$6.71m. Comments on the sources and applications of cash can be found under the heading of "Cashflow Statement" below.

Investment in associates increased by \$2.83m with an acquisition of a 27.64% equity interest in Giken Sakata.

### **Cashflow Statement**

Cash increased by \$2.24m from \$25.77m as at 1 September 2008 to \$28.01m as at 28 February 2009; while borrowings decreased by \$1.71m from \$8.42m to \$6.71m.

\$5.81m of cash was generated from our operating activities. \$4.10m of cash was used in investing activities, mainly for production machinery at our Thailand, Philippines, and Malaysian operations; adding & upgrading of factory space at our Philippines and China plants; and a convertible loan of \$1.5m given to Giken Sakata, an associate of the company. \$2.30m of cash was used in financing activities, mainly to reduce the level of borrowings.

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

In our full year announcement for FY2008, we said that uncertainties in general economic conditions prevailing during FY2008 have been exacerbated by the emerging crisis originating from the US financial institutions; and that the effects of this crisis have started to spread globally and threatens to filter into the real economy. We also said that these factors were a major source of concern for us while at the same time makes it difficult to reliably forecast our results.

Since the end of FY2008, there had been a significant deterioration in the economic and business environment; which has resulted in a slowdown of our sales orders and shipments during 1HFY2009.

**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.**

The ongoing global financial and economic crisis, which started during the last financial year, and its negative impact on consumer sentiment continues to dominate market conditions of our industry in the current period.

We expect market conditions to remain challenging, and any recovery will continue to depend heavily on the state of the wider financial and economic environment. We maintain a cautious outlook for the next 12 months.

**11. Dividend*****(a) Current Financial Year 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 by the Board.

**13. Interested Person Transactions**

Interested person transactions conducted for the half year ended 28 February 2009 were as follows:

<b>Name of interested person</b>	<b>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)</b>	<b>Aggregate Value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</b>
<b>Miyoshi Industry Co., Ltd</b>		
Type of transactions		
Purchases	Nil	226,931
<b>Total</b>	<b>Nil</b>	<b>226,931</b>

**14. Statement pursuant to Rule 705(4) of the Listing Manual**

We, Sin Kwong Wah, Andrew and Gan Yoke Fong, Karen, being two directors of Miyoshi Precision Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company, which may render the financial statements for the half year ended 28 February 2009 to be false or misleading.

On Behalf of the Board of Directors,

**Sin Kwong Wah, Andrew**  
**CEO**

**Gan Yoke Fong, Karen**  
**Executive Director**

**BY ORDER OF THE BOARD**

**SIN KWONG WAH, ANDREW**  
**CEO**  
8 April 2009