



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

## **2010 First Quarter Financial Statements 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 THE PERIOD ENDED 30 NOVEMBER 2009**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Note	Three months ended		
		30-Nov-09 S\$'000	30-Nov-08 S\$'000	Change %
<b>Revenue</b>		<b>40,262</b>	<b>31,113</b>	<b>29.4%</b>
Other operating income	(i)	2,486	811	206.6%
Changes in inventories of finished goods and work-in-progress		1,381	89	1451.7%
Raw materials and consumables used		(22,439)	(19,209)	16.8%
Employee benefit expenses		(7,022)	(4,463)	57.3%
Depreciation expense		(1,931)	(1,173)	64.6%
Other operating expenses	(ii)	(7,275)	(3,893)	86.9%
Finance costs		(157)	(96)	63.5%
Share of results of associates		-	(29)	-100.0%
<b>Profit before income tax</b>		<b>5,305</b>	<b>3,150</b>	<b>68.4%</b>
Income tax expense		(398)	(112)	255.3%
<b>Profit for the year</b>	(iii)	<b>4,907</b>	<b>3,038</b>	<b>61.6%</b>
<b>Profit attributable to:</b>				
Equity holders of the Company		4,691	2,990	56.9%
Minority interests		216	48	350.0%
		<b>4,907</b>	<b>3,038</b>	<b>61.5%</b>
<b>Other comprehensive income</b>				
<b>Profit for the period</b>		<b>4,907</b>	<b>3,038</b>	<b>61.5%</b>
Exchange differences on translating foreign operation and other currency translation differences, net of tax		(2,685)	3,398	-179.0%
<b>Total comprehensive income for the period</b>		<b>2,222</b>	<b>6,436</b>	<b>-65.5%</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company		2,156	6,285	-65.7%
Minority interests		66	151	-56.3%
		<b>2,222</b>	<b>6,436</b>	<b>-65.5%</b>

**Notes:**

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

OTHER OPERATING INCOME	Three months ended	
	30-Nov-09 S\$'000	30-Nov-08 S\$'000
Gain on disposal of property, plant and equipment	116	-
Gain on foreign exchange	123	286
Income from sales of scrap	322	356
Interest income from associate	9	9
Interest income from non-related companies	35	65
Miscellaneous income	382	71
Negative goodwill on acquisition of subsidiary	1,106	-
Other income	194	-
Rental income	199	24
	<b>2,486</b>	<b>811</b>

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

OTHER OPERATING EXPENSE	Three months ended	
	30-Nov-09 S\$'000	30-Nov-08 S\$'000
Maintenance	424	213
Professional fees	463	171
Supplies and services	3,053	1,903
Transportation and travelling	583	373
Utilities	1,358	839
Others	1,394	394
	<b>7,275</b>	<b>3,893</b>

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

OTHER CHARGES AND CREDITS	Three months ended	
	30-Nov-09 S\$'000	30-Nov-08 S\$'000
Allowance for impairment of machinery	-	43
Allowance for inventory obsolescence	769	72
Amortisation of intangible assets	107	-
Loss on disposal of interest in associate	8	-
Loss on disposal of property, plant and equipment	-	23
Reversal of doubtful trade receivables	(268)	-
Share based payments expense	-	31

**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.**

STATEMENT OF FINANCIAL POSITION	Group		Company	
	As At		As At	
	30-Nov-09 S\$'000	31-Aug-09 S\$'000	30-Nov-09 S\$'000	31-Aug-09 S\$'000
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and bank balances	22,738	19,156	8,284	11,324
Fixed deposits	13,002	8,437	4,000	2,000
Trade receivables	33,220	21,120	17,610	13,288
Other receivables and prepayments	4,431	6,385	1,780	3,988
Inventories	13,608	7,607	2,445	2,057
<b>Total current assets</b>	<b>86,999</b>	<b>62,705</b>	<b>34,119</b>	<b>32,657</b>
<b>Non-current assets:</b>				
Investment in associates	-	2,786	54	1,584
Subsidiaries	-	-	24,674	22,746
Available-for-sale financial assets	429	438	5	5
Other receivables and prepayments	-	50	-	-
Property, plant and equipment	49,709	42,195	8,016	7,952
Intangible assets	1,180	-	-	-
Deferred tax assets	314	319	-	-
Loans receivable	3,197	2,477	2,401	2,477
<b>Total non-current assets</b>	<b>54,829</b>	<b>48,265</b>	<b>35,150</b>	<b>34,764</b>
<b>Total assets</b>	<b>141,828</b>	<b>110,970</b>	<b>69,269</b>	<b>67,421</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Bank overdrafts	2,462	1,026	-	-
Trade payables	19,726	12,047	7,649	5,593
Other payables and accruals	10,805	5,934	2,363	2,009
Current income tax payable	1,456	1,324	1,534	1,433
Finance leases	1,580	1,191	223	291
Bank loans	5,747	3,699	3,000	3,000
<b>Total current liabilities</b>	<b>41,776</b>	<b>25,221</b>	<b>14,769</b>	<b>12,326</b>
<b>Non-current liabilities:</b>				
Finance leases	2,527	895	117	32
Bank loans	9,100	3,916	-	-
Other loan	250	254	-	-
Other payables	513	-	-	-
Deferred tax liabilities	887	882	481	499
<b>Total non-current liabilities</b>	<b>13,277</b>	<b>5,947</b>	<b>598</b>	<b>531</b>
<b>Total liabilities</b>	<b>55,053</b>	<b>31,168</b>	<b>15,367</b>	<b>12,857</b>
<b>Capital and reserves:</b>				
Share capital	37,389	37,389	37,389	37,389
Treasury share reserve	(55)	(55)	(55)	(55)
Fair value reserve	(12)	(12)	-	-
Share options reserve	798	798	798	798
Currency translation reserve	(8,047)	(5,512)	(9,001)	(6,963)
Retained earnings	46,681	41,990	24,771	23,395
<b>Total capital and reserves</b>	<b>76,754</b>	<b>74,598</b>	<b>53,902</b>	<b>54,564</b>
Minority interests	10,021	5,204	-	-
<b>Total equity</b>	<b>86,775</b>	<b>79,802</b>	<b>53,902</b>	<b>54,564</b>
<b>Total liabilities and equity</b>	<b>141,828</b>	<b>110,970</b>	<b>69,269</b>	<b>67,421</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 30 November 2009 S\$'000		As At 31 August 2009 S\$'000	
Secured	Unsecured	Secured	Unsecured
4,327	3,000	1,890	3,000

**Amount repayable after one year**

As At 30 November 2009 S\$'000		As At 31 August 2009 S\$'000	
Secured	Unsecured	Secured	Unsecured
11,627	250	4,811	254

**Details of any collateral.**

The Group's secured borrowings comprises finance leases, short-term bank loans and long-term bank loans.

## Finance leases:

- Finance leases of Giken Sakata (S) Ltd ("Giken"), a subsidiary of the Company, are secured by a fixed and floating charge on the assets and properties of Giken and its subsidiary, PT Giken Precision Indonesia. The balance of these finance leases as at 30 November 2009 was S\$2,232,000 (31 August 2009: Nil); and the net book value of the plant and machinery under these finance leases as at 30 November 2009 was S\$1,014,000 (31 August 2009: Nil).
- Other finance leases of the Group are secured on the plant and machinery under finance lease. The balance of these finance leases as at 30 November 2009 was S\$1,875,000 (31 August 2009: S\$2,086,000); and the net book value of the plant and machinery under these finance leases as at 30 November 2009 was S\$2,900,000 (31 August 2009: S\$3,189,000).

## Short-term bank loans:

- Short-term bank loans of Giken are secured by a fixed and floating charge on the assets and properties of Giken and its subsidiary, PT Giken Precision Indonesia. The balance of these short-term bank loans as at 30 November 2009 was S\$2,073,000 (31 August 2009: Nil).
- Other short-term bank loans of the Group are secured by short-term bank deposit. The balance of these short-term bank loans as at 30 November 2009 was S\$3,674,000 (31 August 2009: S\$3,699,000).

## Long-term bank loans:

- Long-term bank loans of Giken are secured by a fixed and floating charge on the assets and properties of Giken and its subsidiary, PT Giken Precision Indonesia. The balance of these long-term bank loans as at 30 November 2009 was S\$5,317,000 (31 August 2009: Nil).
- Other long-term bank loans of the Group are secured by a legal charge over the leasehold land and buildings of a subsidiary, a corporate guarantee by the Company and a letter of comfort by the Company. The balance of these long-term bank loans as at 30 November 2009 was S\$3,783,000 (31 August 2009: S\$3,916,000).

The Group's unsecured borrowing repayable after one year comprises other loans from minority shareholders of Miyoshi Precision (Thailand) Co., Ltd, a subsidiary of the Company.

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

CONSOLIDATED STATEMENT OF CASH FLOW	Group	
	Three months ended	
	30-Nov-09 S\$'000	30-Nov-08 S\$'000
<b>Operating activities:</b>		
Profit before income tax and share of results of associates	5,305	3,179
Adjustments for:		
Allowance for impairment of machinery	-	43
Allowance for inventory obsolescence	769	72
Amortisation of intangible assets	107	-
Depreciation expense	1,931	1,173
(Gain)/Loss on disposal of property, plant and equipment	(116)	23
Interest expense	157	96
Interest income	(44)	(74)
Loss on disposal of interest in associate	8	-
Negative goodwill on acquisition of subsidiary	(1,106)	-
Reversal of doubtful trade receivables	(268)	-
Share-based payments expense	-	31
<b>Operating cash flows before movements in working capital</b>	<b>6,743</b>	<b>4,543</b>
Trade receivables	(4,899)	3,114
Other receivables and prepayments	2,004	150
Inventories	(451)	45
Trade payables	3,450	(1,907)
Other payables and accruals	(365)	(376)
<b>Cash generated from operations</b>	<b>6,482</b>	<b>5,569</b>
Interest paid	(157)	(96)
Interest received	44	74
Income tax paid	(293)	(147)
<b>Net cash from operating activities</b>	<b>6,076</b>	<b>5,400</b>
<b>Investing activities:</b>		
Acquisition of subsidiary, net of cash acquired (Note 1)	7,685	-
Acquisition of other investment	-	(437)
Loans receivable	(7)	116
Proceeds from disposal of interest in associate	100	-
Proceeds from disposal of property, plant and equipment	276	10
Purchase of property, plant and equipment	(1,795)	(1,014)
<b>Net cash used in investing activities</b>	<b>6,259</b>	<b>(1,325)</b>

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

CONSOLIDATED STATEMENT OF CASH FLOW (CONTINUED)	Group	
	Three months ended	
	30-Nov-09 S\$'000	30-Nov-08 S\$'000
<b>Financing activities:</b>		
Repayment of bank loans	(2,034)	(1,738)
Repayment of finance leases	(489)	(199)
Restricted cash	(3)	176
<b>Net cash used in financing activities</b>	<b>(2,526)</b>	<b>(1,761)</b>
Currency translation adjustment	(3,099)	988
Increase in cash and cash equivalents	<b>6,710</b>	<b>3,302</b>
Cash and cash equivalents at beginning of period	26,432	25,525
<b>Cash and cash equivalents at end of period</b>	<b>33,142</b>	<b>28,827</b>
Cash and cash equivalents at end of period includes the following:		
Cash and bank balances	22,738	19,477
Fixed deposits	13,002	9,928
Bank overdrafts	(2,462)	(507)
	<b>33,278</b>	<b>28,898</b>
Restricted cash	(136)	(71)
<b>Cash and cash equivalents at end of period</b>	<b>33,142</b>	<b>28,827</b>

**Note 1:**

The effects of the acquisition of a subsidiary on the cash flows are as follows:

Acquisition of subsidiary	Three months ended	
	30-Nov-09 S\$'000	30-Nov-08 S\$'000
Trade receivables	6,933	--
Investment in associate	109	--
Inventories	6,319	--
Cash and bank balances	7,685	--
Property, plant and equipment	6,703	--
Trade payables	(4,229)	--
Other payables	(4,484)	--
Finance leases and term loan	(11,645)	--
Income tax payable	(34)	--
Minority interest	(4,751)	--
Negative goodwill	(1,106)	--
Purchase consideration	1,500	--
Less: purchase consideration paid through conversion of loan	1,500	--
Less: cash and bank balances	7,685	--
Cash flow on acquisition, net of cash acquired	(7,685)	--

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.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 NOVEMBER 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 Interests	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 2008</b>	37,389	(29)	756	(7)	(6,197)	33,862	65,774	4,593	70,367
Total comprehensive income for the period	-	-	(21)	-	3,316	2,990	6,285	151	6,436
Share-based payments expense for the period	-	-	31	-	-	-	31	-	31
<b>Balance at 30 November 2008</b>	37,389	(29)	766	(7)	(2,881)	36,852	72,090	4,744	76,834
<b>Balance at 31 August 2009</b>	37,389	(55)	798	(12)	(5,512)	41,990	74,598	5,204	79,802
Total comprehensive income for the period	-	-	-	-	(2,535)	4,691	2,156	66	2,222
Acquisition of subsidiary	-	-	-	-	-	-	-	4,751	4,751
<b>Balance at 30 November 2009</b>	37,389	(55)	798	(12)	(8,047)	46,681	76,754	10,021	86,775

**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 period ended 30 November 2009.

The number of ordinary shares that may be issued upon exercise of all share options outstanding as at 30 November 2009 was 6,013,000 (30 November 2008: 6,064,000).

As at 30 November 2009, the Company holds 499,000 treasury shares (30 November 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 30 November 2009</b>	<b>As At 31 August 2009</b>
Total number of issued shares	420,669,490	420,669,490
Less: Treasury shares	499,000	499,000
Total number of shares excluding treasury shares	420,170,490	420,170,490

**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.**

Not applicable.

**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).**

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

**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 financial information have been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of the last financial year, except for the adoption of the new or revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") which became effective for the current financial year. The adoption of these FRS and INT FRS did not result in any substantial changes to the Group's accounting policies.

**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 financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Three months ended	
	30-Nov-09 Cents	30-Nov-08 Cents
(i) Based on weighted average number of ordinary shares in issue	1.12	0.71
(ii) On a fully diluted basis	1.12	0.71

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 year, 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 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 30 November 2009	18.27 cents	12.83 cents
As at 31 August 2009	17.75 cents	12.99 cents

Net asset per share is calculated based on the existing number of shares in issue of 420,170,490 (31 August 2009: 420,170,490).

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 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.

### **Revenue**

Low sales volumes and revenue since the second quarter of the last financial year (2QFY2009), due to the global financial crisis, had bottomed out by the third quarter with improved market sentiments, before staging a mild recovery in the fourth quarter. The recovery continued into the first quarter of the current financial year (1QFY2010).

During 1QFY2010, the Company acquired a controlling interest in Giken Sakata (S) Limited ("Giken") under an investment agreement entered into during FY2008. The results of Giken are therefore consolidated with the Group's results for the first time during the current quarter. For the purposes of segmental analyses, Giken's consumer electronic products are included in the existing Consumer Electronics ("CE") business segment; its microshaft products are included in Automotive, Microshaft & Others ("AMO") (previously Automotive and Others or "AO"); while its medical products are included in a newly created Medical ("MED") segment. None of Giken's revenue is included in Data Storage ("DS"). Giken is listed on SGX-Catalist.

Group revenue for 1QFY2010 was \$40.3m as compared with \$31.1m in 1QFY2009; a rise of \$9.2m or 29.4%. Giken's revenue of \$13.2m accounts for 32.8% of the Group's consolidated revenue. Excluding Giken, the Group's revenue for 1QFY2010 was \$27.1m as compared with \$31.1m in 1QFY2009; a fall of \$4.0m or 12.9%.

Revenues for the DS and AMO grew by 4.1% and 173.3% respectively due mainly to stronger end-customer demand, stock replenishment by our immediate customers, as well as the inclusion of Giken's microshaft products in AMO. CE revenue increased by 15.0% including Giken's revenue; but fell 38.8% if Giken were excluded. A significant factor in the decline of CE revenue (excluding Giken's) is a re-alignment and consolidation by a major customer of its contract manufacturers, resulting in lower sales order allocation to us. MED generated \$2.2m in revenue for the quarter.

**Profit**

Profit after tax attributable to equity shareholders of the Company ("profit") for 1QFY2010 rose by \$1.70m or 56.9% to \$4.69m as compared with \$2.99m for last year. Current quarter profit includes a one-off gain of \$1.11m negative goodwill arising from the acquisition of equity shares in Giken (see "Other Operating Income"); and Giken's current quarter profit of \$0.20m.

Excluding negative goodwill and Giken's profit, Group profit for 1QFY2010 rose by \$0.39m or 13.0% to \$3.38m; despite the 38.8% revenue decline. The better profitability is largely due to improved margins on new DS products launched in the current quarter; and higher value-add achieved through additional in-house integrated process for DS.

In 1QFY2010, there was a loss on translation differences relating to financial statements of foreign subsidiaries of \$2.69m as compared with a gain of \$3.40m last year reflecting a weaker USD against the SGD, THB and MYR as compared with last year.

**Other Operating Income**

Other operating income for the current quarter was \$2.5m as compared with \$0.8m last year; an increase of \$1.7m. Other operating income includes a one-off gain of \$1.1m from negative goodwill arising from the acquisition of 46,382,189 new equity shares in Giken under an investment agreement entered into in FY2008. With the acquisition, the Company increased its stake in Giken from 27.64% to 53.16% during the current quarter, making it a subsidiary of the Company.

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

Inventories of finished goods and work-in-progress in the statement of comprehensive income increased by \$1.4m during the current quarter due to higher sales volumes for DS.

**Operating Expenses**

Raw materials and consumables used in manufacturing increased by \$3.2m (16.8%); employee benefit expenses increased by \$2.6m (57.3%); and other operating expenses ("OOE") increased by \$3.4m (86.9%) mainly from the consolidation of Giken's operating expenses. Additionally, OOE expense in the current quarter includes a provision of \$0.8m for inventory obsolescence.

### **Statement of Financial Position**

Net assets attributable to equity shareholders of the Company ("net asset") (represented by Total Capital and Reserves in the balance sheet) grew \$2.2m to \$76.8m as at 30 November 2009 as compared with \$74.6m as at 31 August 2009. Profit for the current quarter contributed \$4.7m to net asset growth, while an increase in the exchange translation reserve (debit) balance, due largely to a weaker USD exchange rate against the SGD, THB and MYR reduced net assets by \$2.5m.

Trade receivables, trade payables and inventory balances grew by \$12.1m, \$7.7m and \$6.0m respectively as compared with 31 August 2009. Apart from Giken's balances included in 30 November 2009 (but not 31 August 2009); other increases are attributable mainly to the higher level of business activity for DS during the current quarter.

As at the end of 1QFY2010, cash (cash & bank and fixed deposits net of bank overdrafts) balance was \$33.3m compared with \$26.6m as at 31 August 2009. Borrowings (bank loans, other loans and finance leases) stood at \$19.2m with the corresponding balance last year at \$10.0m. The significant increase in borrowings of \$9.2m is due to the consolidation of Giken's borrowings since it became a subsidiary of the Company during the current quarter. It should be noted that neither the Company nor any of the subsidiaries of the Group is a guarantor for Giken's borrowings. Net cash (cash net of borrowings) as at the end of the current and last year were \$14.1m and \$16.6m respectively.

Investment in associates decreased by \$2.8m, as the Company's interest in Giken, previously accounted for as an associate in 1QFY2009, is now accounted for as a subsidiary following the increase of its equity interest to 53.16%.

### **Statement of Cashflow**

Cash and cash equivalents (cash & bank and fixed deposits net of bank overdrafts and restricted cash) increased by \$6.7m during the 3 months to 30 November 2009. \$6.1m of cash was generated from operating activities. \$6.3m of cash was generated from investing activities, mainly from inflows of net cash acquired in the Giken investment and outflows from the acquisition of production machinery at our Thailand and Singapore operations. \$2.5m of cash was used in financing activities, mainly to reduce the level of borrowings. Cash and cash equivalents in SGD terms decreased by \$3.1m as a result of currency translation due to a weaker USD against the SGD, THB and MYR.

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

In our previous announcement for the year ending 31 August 2009 ("FY2009"), we had maintained a cautious outlook on business prospects as the better business performance during the second half of FY2009 had not been significant; and, some of the underlying risk factors of the global financial crisis still remain. While revenue and profit have improved in 1QFY2010, the sustainability of the recovery remains uncertain.

**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 positive market sentiments starting in 3QFY2009 was reflected in a mild recovery of revenue and profit during 4QFY2009; and which continued into the current 1QFY2010. Considering the uncertainty of customer demand; and, that some underlying risk factors of the global financial crisis still persist; we continue to maintain a cautious outlook for the next 12 months.

**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 by the Board.

**13. Interested Person Transactions**

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 during the financial period under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	S\$'000	S\$'000
<b>Total</b>	Nil	Nil

**14. Confirmation by the Board pursuant to Rule 705(5) 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 1<sup>st</sup> quarter ended 30 November 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**  
14 January 2010