

[Print this page](#)**Full Year * Financial Statement And Dividend Announcement**

* Asterisks denote mandatory information

Name of Announcer *	YHI INTERNATIONAL LIMITED
Company Registration No.	200007455H
Announcement submitted on behalf of	YHI INTERNATIONAL LIMITED
Announcement is submitted with respect to *	YHI INTERNATIONAL LIMITED
Announcement is submitted by *	Yuen Sou Wai
Designation *	Executive Director
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>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	31-12-2006
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YHI INTERNATIONAL LIMITED

FULL YEAR UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR YEAR ENDED 31 DECEMBER 2006

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

1(a)(i) CONSOLIDATED INCOME STATEMENT (FULL YEAR 2006 vs FULL YEAR 2005)

	Group 01/01/06 - 31/12/06 S\$ '000	Group 01/01/05 - 31/12/05 S\$ '000	Incr/(Decr) %
Sales	375,200	334,795	12.1%
Cost of sales	(287,500)	(249,081)	15.4%
Gross profit	87,700	85,714	2.3%
Other operating income	2,289	1,027	122.9%
Distribution expenses	(24,863)	(24,208)	2.7%
Administrative expenses	(28,003)	(24,395)	14.8%
Other operating expenses	(3,781)	(3,306)	14.4%
Profit from operations	33,342	34,832	(4.3%)
Finance expenses	(3,322)	(2,378)	39.7%
Share of profit of associated companies (see * below)	5,532	-	NM
Profit before income tax	35,552	32,454	9.5%
Income tax expense	(6,557)	(6,556)	-
Net profit	28,995	25,898	12.0%
Attributable to:			
Equity holders of the Company	27,513	25,471	8.0%
Minority interests	1,482	427	247.1%
	28,995	25,898	12.0%

NOTES TO CONSOLIDATED INCOME STATEMENT (FULL YEAR 2006 vs FULL YEAR 2005)

	Group 01/01/06 - 31/12/06 S\$ '000	Group 01/01/05 - 31/12/05 S\$ '000	Incr/(Decr) %
Interest income	365	358	2.0%
Interest on borrowings	(3,322)	(2,378)	39.7%
Depreciation	(7,511)	(6,207)	21.0%
Written back/(Allowance for) impairment of doubtful receivables and bad debts	429	(1,022)	(142.0%)
Written back/(Written down) of inventory	195	(1,123)	(117.4%)
Foreign exchange loss	(887)	(683)	29.9%
*Share of profit of associated companies			
– Recognition of negative goodwill	5,390	-	NM
– Share of current year profit	142	-	NM
Gain on disposal of property, plant and equipment	1,157	37	3027.0%

NM – Not meaningful

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 31/12/06 S\$ '000	Group 31/12/05 S\$ '000	Company 31/12/06 S\$ '000	Company 31/12/05 S\$ '000
Current assets				
Cash and cash equivalents	19,890	27,739	529	8,038
Trade and other receivables	66,627	59,618	47,541	38,481
Inventories	67,746	60,823	-	-
Financial assets held for trading	283	90	-	-
Other current assets	6,129	5,171	31	23
	160,675	153,441	48,101	46,542
Non-current assets				
Investment in subsidiaries	-	-	66,226	57,759
Investment in associated companies	14,174	-	-	-
Available-for-sale financial assets	5,146	3,775	-	-
Property, plant and equipment	83,512	56,888	531	397
Intangible assets	5,303	5,303	-	-
Deferred income tax assets	2,862	2,378	-	-
	110,997	68,344	66,757	58,156
Total assets	271,672	221,785	114,858	104,698
Current liabilities				
Trade and other payables	54,091	47,051	4,478	4,646
Borrowings	53,267	34,455	-	-
Financial liabilities held for trading	210	51	-	-
Current income tax liabilities	3,398	2,651	1,259	596
	110,966	84,208	5,737	5,242
Non-current liabilities				
Borrowings	6,159	2,297	-	-
Deferred income tax liabilities	1,784	1,968	-	-
	7,943	4,265	-	-
Total liabilities	118,909	88,473	5,737	5,242
Net assets	152,763	133,312	109,121	99,456
Capital and reserves attributable to the Company's equity holders				
Share capital *	77,001	77,001	77,001	77,001
Other reserves	(290)	3,040	-	-
Retained earnings	71,390	49,861	32,120	22,455
	148,101	129,902	109,121	99,456
Minority interests	4,662	3,410	-	-
Total equity	152,763	133,312	109,121	99,456

* Pursuant to The Companies (Amendment) Act 2005 effective 30 January 2006, the concept of authorised share capital and par value has been abolished. Amount standing to the credit of share premium account has been transferred to the share capital account as at that date.

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

Amount repayable in one year or less, or on demand

Group As at 31/12/06		Group As at 31/12/05	
Secured S\$ '000	Unsecured S\$ '000	Secured S\$ '000	Unsecured S\$ '000
53,267	-	29,205	5,250

Amount repayable after one year

Group As at 31/12/06		Group As at 31/12/05	
Secured S\$ '000	Unsecured S\$ '000	Secured S\$ '000	Unsecured S\$ '000
6,159	-	2,297	-

Details of any collateral

The Group's borrowings are secured by the following:-

- (i) a first legal mortgage on the Group's freehold and leasehold properties;
- (ii) a first legal charge on office equipment, plant and machinery of a subsidiary;
- (iii) a first and floating charge on all the assets of a subsidiary;
- (iv) corporate guarantee from the Company; and
- (v) banker's guarantees, up to S\$11.6 million (2005: S\$11.6 million), given as security to banks which granted banking facilities to certain subsidiaries. The banker's guarantees are in turn secured by a first and floating charge on all the assets of a subsidiary as referred to in paragraph (iii) above.

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

1(c)(i) CONSOLIDATED CASH FLOW STATEMENT (FY2006 vs FY 2005)

	Group 01/01/06 - 31/12/06 S\$ '000	Group 01/01/05 - 31/12/05 S\$ '000
Cash flows from operating activities		
Profit before tax	35,552	32,454
Adjustments for:		
– Depreciation of property, plant and equipment	7,511	6,207
– Interest expense	3,322	2,378
– Interest income	(365)	(358)
– Gain on disposal of property, plant and equipment	(1,157)	(37)
– Share of profit of associated companies	(5,532)	-
– Changes in fair values of financial assets and liabilities held for trading	(34)	(39)
– Exchange differences	(728)	239
Operating cash flow before working capital changes	<u>38,569</u>	<u>40,844</u>
Changes in operating assets and liabilities, net of effects from purchase of subsidiary		
– Trade and other receivables	(7,009)	(5,196)
– Inventories	(6,923)	(1,967)
– Other current assets	(958)	(1,157)
– Trade and other payables	6,189	8,745
Cash generated from operations	<u>29,868</u>	<u>41,269</u>
Interest received	365	358
Income tax paid	(6,574)	(6,732)
Net cash from operating activities	<u>23,659</u>	<u>34,895</u>
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	-	(2,905)
Proceeds from sale of property, plant and equipment	2,268	942
Purchase of property, plant and equipment	(35,962)	(11,684)
Purchase of available-for-sale financial assets	(1,371)	(32)
Purchase of investment in associated companies	(8,642)	-
Acquisition of minority interest in a subsidiary	-	(804)
Net cash used in investing activities	<u>(43,707)</u>	<u>(14,483)</u>
Cash flows from financing activities		
Proceeds from/(repayment of) trust receipts loans	7,088	(4,940)
Interest paid	(3,312)	(2,378)
Repayments of finance lease liabilities	(300)	(196)
Proceeds from/(repayments of) long-term bank loans	7,016	(5,543)
Proceeds from short-term bank loans	7,042	5,718
Dividends paid to shareholders	(5,845)	(3,399)
Net cash from/(used in) financing activities	<u>11,689</u>	<u>(10,738)</u>
Net (decrease)/increase in cash and cash equivalents held	(8,359)	9,674
Cash and cash equivalents at the beginning of the financial year	27,596	17,775
Effects of exchange rate changes on cash and cash equivalents	(669)	147
Cash and cash equivalents at the end of the financial year	<u>18,568</u>	<u>27,596</u>

Explanatory Notes:-

Cash and cash equivalents comprise:-

Cash and bank balances
Less: Bank overdrafts

Group 01/01/06 - 31/12/06 S\$ '000	Group 01/01/05 - 31/12/05 S\$ '000
19,890	27,739
(1,322)	(143)
18,568	27,596

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

STATEMENT OF CHANGES IN EQUITY

	Share capital S\$ '000	Share premium S\$ '000	Foreign currency translation reserve S\$ '000	General reserve S\$ '000	Retained earnings S\$ '000	Minority interests S\$ '000	Total S\$ '000
The Group							
Balance at 1 January 2006	58,459	18,542	234	2,806	49,861	3,410	133,312
Gains and losses recognised directly in equity - Currency translation differences	-	-	(3,377)	(92)	-	(230)	(3,699)
Net profit	-	-	-	-	27,513	1,482	28,995
Total recognised gains	-	-	(3,377)	(92)	27,513	1,252	25,296
Transfer of share premium reserve to share capital account (See note below)	18,542	(18,542)	-	-	-	-	-
Dividend relating to 2005	-	-	-	-	(5,845)	-	(5,845)
Transfer to general reserve	-	-	-	139	(139)	-	-
Balance at 31 Dec 2006	77,001	-	(3,143)	2,853	71,390	4,662	152,763
	Share capital S\$ '000	Share premium S\$ '000	Foreign currency translation reserve S\$ '000	General reserve S\$ '000	Retained earnings S\$ '000	Minority interests S\$ '000	Total S\$ '000
Balance at 1 January 2005							
- As previously reported	48,716	28,285	(1,229)	1,740	27,186	2,706	107,404
- Effect of adopting FRS 103 (adjusted prospectively)	-	-	-	-	690	-	690
- Effect of adopting FRS 39 (adjusted prospectively)	-	-	-	-	500	-	500
- As restated	48,716	28,285	(1,229)	1,740	28,376	2,706	108,594
Gains and losses recognised directly in equity - Currency translation differences	-	-	1,463	3	-	(192)	1,274
Net profit	-	-	-	-	25,471	427	25,898
Acquisition of a subsidiary	-	-	-	-	-	469	469
Bonus issue	9,743	(9,743)	-	-	-	-	-
Dividend relating to 2004	-	-	-	-	(2,923)	-	(2,923)
Transfer to general reserve	-	-	-	1,063	(1,063)	-	-
Balance at 31 Dec 2005	58,459	18,542	234	2,806	49,861	3,410	133,312

STATEMENT OF CHANGES IN EQUITY

	Share capital S\$ '000	Share premium S\$ '000	Retained earnings S\$ '000	Total S\$ '000
The Company				
Balance at 1 January 2006	58,459	18,542	22,455	99,456
Net profit	-	-	15,510	15,510
Transfer of share premium reserve to share capital account (See note below)	18,542	(18,542)	-	-
Dividend relating to 2005	-	-	(5,845)	(5,845)
Balance at 31 Dec 2006	77,001	-	32,120	109,121
Balance at 31 Dec 2005				
Balance at 1 January 2005	48,716	28,285	10,346	87,347
Net profit	-	-	15,032	15,032
Bonus issue	9,743	(9,743)	-	-
Dividend relating to 2004	-	-	(2,923)	(2,923)
Balance at 31 Dec 2005	58,459	18,542	22,455	99,456

Note

Pursuant to The Companies (Amendment) Act 2005 effective 30 January 2006, the concept of authorised share capital and par value has been abolished. Amount standing to the credit of share premium account has been transferred to the share capital account as at that date.

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 or 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 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

There was no change in the Company's number of shares since 31 December 2005. The share capital of the Company as at 31 December 2006 was 584,591,628 ordinary shares.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed.

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 applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2005.

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

EARNINGS PER SHARE

Group 01/01/06 - 31/12/06	Group 01/01/05 - 31/12/05
4.71	4.36
NA	NA

(a) Based on the number of ordinary shares on issue (cents)

(b) On fully diluted basis (cents)

NA – Not Applicable

(i) The Group earnings per share for current and preceding periods are based on the actual number of shares in issue of 584,591,628 ordinary shares.

(ii) Diluted earnings per share have not been calculated, as no diluting events existed during these periods. No share options were granted to any employees during these periods.

7. Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

NET ASSET VALUE PER SHARE

Group 31/12/06	Group 31/12/05	Company 31/12/06	Company 31/12/05
25.33	22.22	18.67	17.01

Net asset value per ordinary share (cents)

The Group and Company net asset value per share as at 31 December 2006 and as at 31 December 2005 are based on the actual number of shares in issue of 584,591,628 ordinary shares.

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on

REVIEW OF TWELVE MONTH YEAR-TO-DATE FINANCIAL RESULTS AND FINANCIAL POSITION (FY 2006 VS FY 2005)

The Group's turnover of S\$375.2 million for FY2006 was S\$40.4 million or 12.1% higher than the S\$334.8 million recorded in FY2005 attributable to increase in both distribution and manufacturing businesses.

Turnover from the distribution business segment increased by approximately S\$26.6 million or 11.2% from S\$237.0 million in FY2005 to S\$263.6 million in FY2006. The increase was primarily driven by stronger sales in ASEAN and Oceanic operations. In addition, higher sales were achieved by our new USA subsidiary previously not included in FY2005.

Turnover from the manufacturing business segment increased by approximately S\$13.8 million or 14.1% from S\$97.8 million in FY2005 to S\$111.6 million in FY2006. The increase was primarily due to commencement of additional 3 production lines in our new factory in Suzhou, PRC towards the end of Q3 of FY2006.

Gross profit increased by approximately S\$2.0 million from S\$85.7 million in FY2005 to S\$87.7 million in FY2006. Gross profit was affected by increasing competitive environment in the distribution business segment and the rising aluminum prices and energy costs in the manufacturing business segment.

The increase in administrative, distribution and other operating expenses in FY2006 as compared to FY2005 were in line with increased operating activities and the start-up costs of new subsidiaries previously not included in FY2005. The increase in other operating income was primarily due to gain on disposal of assets. Higher finance costs were primarily due to higher borrowings to fund expansion projects.

The Group's profit before taxation increased by approximately S\$3.1 million or 9.5% to S\$35.6 million in FY2006 as compared to S\$32.5 million in FY2005. A total of about S\$5.5 million included in the profit before tax of FY2006 was related primarily to share of profit in our associated company, OZ S.p.A.

Our cashflow will continue to be utilized partially to fund expansion plans.

Total current assets increased by approximately S\$7.2 million mainly due to increase in receivables of approximately S\$7.0 million and in inventories of approximately S\$6.9 million, other current assets of approximately S\$0.9 million together with a reduction of S\$7.8 million in cash. The increase in trade receivables was in line with higher turnover and the increase in inventories was mainly due to new subsidiaries previously not included in FY2005. Property, plant and equipment increased by approximately S\$26.6 million primarily due to expansion plans in new factories.

The investment in associated companies included S\$2.4 million on our 49% stake in Yokohama Tire. (Shanghai) Sales Co Ltd. The balance total of about S\$11.8 million (which also included S\$5.39 million of negative goodwill arising from FRS 28 adjustment) pertained to the acquisition of 35.51% stake in OZ S.p.A.

The increase in available-for-sale financial assets of approximately S\$1.4 million was attributable to additional investment in Hangzhou Yokohama Tire Co Ltd.

The increase in current liabilities of about S\$26.8 million was primarily due to increase in payables of approximately S\$7.0 million from higher trading activities and an increase of S\$18.8 million in current borrowings. The increase in total borrowings was primarily due to start-up funding requirements for the expansion plans in Malaysia and PRC.

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

There is no forecast or prospect statement previously disclosed.

10. A commentary at the date of the announcement of the 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

Distribution sales particularly tyres are expected to remain steady in our various operations where the distribution of Yokohama tyres remains to be the main focus. In addition, in operations where Yokohama tyres are not available, the Group will also be selling more of other tyres that are sourced from various tyre manufacturers based in Indonesia, Korea and Taiwan.

"Neuton" which is our proprietary brand of tyres will continue to be promoted and sold in all existing and new geographical networks.

Our manufacturing segment is expected to operate in a challenging business environment as global aluminium prices remain volatile. Nonetheless with capacity expansion in the PRC and Malaysia, manufacturing sales are expected to increase. As at end of FY2006, the Group had a total of 11 production lines. There are plans to increase to 16 production lines by end of FY2007.

We believe our initiatives to team up strategically with OZ and Enkei, the 2 world-class premier brands in alloy wheels, will bring future benefits to the Group.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? Yes.

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Rate	1.2 cents per ordinary share
Tax Rate	One Tier Tax exempt

(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	First & Final
Dividend Type	Cash
Dividend Rate	1.0 cent per ordinary share
Tax Rate	One Tier Tax exempt

(c) Date payable

Notice will be given later regarding the dividend payment date.

(d) Books closure date

Notice will be given later regarding the date of closure of transfer book and register of members.

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

Results Of Operations By Business Segments

The Group is organised into two main business segments, namely Distribution and Manufacturing.

- (a) The segmental income statements of the Group for FY2006 and FY2005 are prepared on an actual basis.
- (b) The segmental balance sheet items of the Group as at 31 December 2006 and as at 31 December 2005 respectively are prepared on an actual basis.

Group Period from 01/01/06-31/12/06	Distribution	Manufacturing	Elimination	Group 01/01/06- 31/12/06
	\$'000	\$'000	\$'000	\$'000
Sales :				
- external sales	263,551	111,649		375,200
- inter-segment sales	-	26,958	(26,958)	-
	<u>263,551</u>	<u>138,607</u>	<u>(26,958)</u>	<u>375,200</u>
Segment result	24,615	8,892		33,507
Unallocated costs				<u>(165)</u>
Profit from operations				33,342
Finance cost				(3,322)
Share of profit of associated companies	1	5,531		<u>5,532</u>
Profit before tax				35,552
Income tax expense				<u>(6,557)</u>
Net profit				<u><u>28,995</u></u>
Other segment items				
Capital expenditure	2,552	34,898		37,450
Depreciation	1,938	5,573		7,511
(Written back)/written down of inventory	(492)	297		<u>(195)</u>
Segment assets	127,662	153,216	(12,926)	267,952
Unallocated assets				<u>3,720</u>
Consolidated total assets				<u><u>271,672</u></u>
Segment liabilities	73,121	49,111	(69,495)	52,737
Unallocated liabilities				<u>66,172</u>
Consolidated total liabilities				<u><u>118,909</u></u>

Group Period from 01/01/05-31/12/05	Distribution			Group
	\$'000	\$'000	\$'000	01/01/05- 31/12/05
Sales :				
- external sales	237,009	97,786		334,795
- inter-segment sales	-	14,736	(14,736)	-
	<u>237,009</u>	<u>112,522</u>	<u>(14,736)</u>	<u>334,795</u>
Segment result	23,024	11,913		34,937
Unallocated costs				(105)
Profit from operations				<u>34,832</u>
Finance cost				(2,378)
Profit before tax				<u>32,454</u>
Income tax expense				(6,556)
Net profit				<u><u>25,898</u></u>
Other segment items				
Capital expenditure	1,234	9,869		11,103
Depreciation	1,718	4,489		6,207
Written down of inventory	437	686		<u>1,123</u>
Segment assets	120,083	96,600	(5,733)	210,950
Unallocated assets				<u>10,835</u>
Consolidated total assets				<u><u>221,785</u></u>
Segment liabilities	61,792	34,290	(50,259)	45,823
Unallocated liabilities				<u>42,650</u>
Consolidated total liabilities				<u><u>88,473</u></u>

The Group's business segments operate in following geographical areas:-

	<u>Sales</u>		<u>Total assets</u>		<u>Capital expenditure</u>	
	FY2006 Group 01/01/06- 31/12/06 \$'000	FY2005 Group 01/01/05- 31/12/05 \$'000	FY2006 Group 31/12/06 \$'000	FY2005 Group 31/12/05 \$'000	FY2006 Group 01/01/06- 31/12/06 \$'000	FY2005 Group 01/01/05- 31/12/05 \$'000
Singapore	99,552	96,994	46,952	45,757	940	183
Malaysia	35,716	26,487	19,325	14,492	11,566	2,170
Thailand	297	-	544	-	40	-
USA	23,617	2,889	9,511	8,137	50	-
China/Hong Kong	151,499	142,208	150,384	108,379	21,531	7,864
Taiwan	26,149	18,615	13,473	8,750	2,306	133
Japan	4,875	4,846	1,434	1,073	38	7
Australia	44,600	40,058	31,562	24,736	869	564
New Zealand	15,853	17,434	14,010	11,598	110	182
Unallocated corporate assets	-	-	10,420	13,472	-	-
	<u>402,158</u>	<u>349,531</u>	<u>297,615</u>	<u>236,394</u>	<u>37,450</u>	<u>11,103</u>
Elimination	<u>(26,958)</u>	<u>(14,736)</u>	<u>(25,943)</u>	<u>(14,609)</u>	<u>-</u>	<u>-</u>
	<u><u>375,200</u></u>	<u><u>334,795</u></u>	<u><u>271,672</u></u>	<u><u>221,785</u></u>	<u><u>37,450</u></u>	<u><u>11,103</u></u>

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

Please refer to the item no.8

15. A breakdown of sales

A breakdown of sales:-

	Group 01/01/06- 31/12/06 S\$'000	Group 01/01/05- 31/12/05 S\$'000	Incr/(Decr) %
(a) Sales reported for the first half year	197,729	163,635	20.8%
(b) Operating profit after tax before deducting minority interest report for the first half year	17,053	11,085	53.8%
(c) Sales reported for the second half year	177,471	171,160	3.7%
(d) Operating profit after tax before deducting minority interest report for the second half year	11,942	14,813	(19.4%)
(e) Total sales reported for the full year	375,200	334,795	12.1%
(f) Total operating profit after tax before deducting minority interest report for the full year	28,995	25,898	12.0%

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 (*Refer to Para 16 of Appendix 7.2 for the required details*)

	Latest Full Year S\$000	Previous Full Year S\$000
Ordinary	7,015	5,846
Preference	-	-
Total:	<u>7,015</u>	<u>5,846</u>

17. Aggregate value of interested person transactions entered into by the Company and/or its subsidiaries during the year ended 31 December 2006 are as follows:

Interested Persons	Aggregate value of all interested persons transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate). S\$ '000	Aggregate value of all interested persons transactions conducted under shareholders' Mandate (excluding transactions less than S\$100,000) S\$ '000	Total S\$ '000
Interest paid to holding company	103	-	103
Total	103	-	103

Explanatory Notes:-

Interest paid to YHI Holdings Pte Ltd is described and disclosed under "Restructuring Exercise" as disclosed on pages 60 and 120 of our prospectus dated 24 June 2003. Under the "Restructuring Exercise", a subsidiary acquired from YHI Holdings Pte Ltd the property with a fair value of S\$5,250,000. The amount due to YHI Holdings Pte Ltd is unsecured and interest is charged at SIBOR rates. This amount has since been paid in full in May 2006.

BY ORDER OF THE BOARD

Yuen Sou Wai
Executive Director
23/02/2007

Submitted by Yuen Sou Wai, Executive Director on 23/02/2007 to the SGX.