

FIRST QUARTER RESULTS * FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT

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| Name of Announcer * | YHI INTERNATIONAL LIMITED |
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| Announcement submitted on behalf of | YHI INTERNATIONAL LIMITED |
| Announcement is submitted with respect to * | YHI INTERNATIONAL LIMITED |
| Announcement is submitted by * | Tay Tian Hoe Richard |
| Designation * | Executive Chairman and Group Managing Director |
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>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

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| For the Financial Period Ended * | 31-03-2012 |
| Description | Unaudited First Quarter 2012 Financial Statements and Press Release |
| Attachments | YHIPressRelease1Q2012.pdf YHIFY2012Q1Results.pdf Total size = 308K (2048K size limit recommended) |



YHI International Limited

YHI International posts S\$137.9 m revenue for its first quarter ended 31 March 2012

“Our results demonstrate that we have stayed on track for growth. Indeed, our focus on continuously providing our customers with quality products and building strong relationships have served YHI well and we believe these factors will continue to be our strengths in the face of uncertain economic times ahead,” said Group Managing Director Richard Tay

Singapore, 8 May 2012 – Mainboard-listed YHI International Limited (YHI or the Group) (友发国际有限公司) today announced it has posted a 6.9 per cent (or S\$8.9 million) rise in revenue to S\$137.9 million from S\$129.0 million a year ago, mainly due to higher demand for its products.

Both YHI’s distribution and manufacturing segments recorded higher turnover. The distribution segment, which accounted for 72.6 per cent of the Group’s total turnover, recorded a 6.2 per cent rise in turnover, rising to S\$100.1 million from S\$94.3 million in the corresponding quarter last year. The manufacturing segment, which accounted for 27.4 per cent of the Group’s total turnover, recorded a growth of 9.1 per cent in revenue, to S\$37.8 million compared to S\$34.7 million a year ago.

For the period under review, gross profit rose slightly by 1.7 per cent to S\$31.0 million from S\$30.5 million in the previous corresponding quarter. The increase was mainly due to higher turnover from both the distribution and manufacturing segments. Gross profit margins were slightly lower at 22.4 per cent compared to 23.6 per cent previously. Operating expenses were

3.0 per cent higher in-line with the increase in turnover. The higher operating expenses relate to sales and variable cost, staff costs, warehouse rental and higher borrowing costs. Overall net profit after tax attributable to shareholders (PATMI) for the first quarter was lower at S\$5.5 million. PATMI margins were 4.0 per cent compared to 4.9 per cent previously. Earnings per share for the quarter stood at 0.94 Singapore cent.

Executive Chairman and Group Managing Director, Mr Richard Tay (郑添和), was satisfied with the financial results. He said: "The global economic climate is still uncertain with the Euro zone sovereign debt situation still remain unresolved, coupled with the slower growth in China and United States. Although the outlook of our Group's business operating environment is expected to remain challenging in the foreseeable future, our results demonstrate that we have stayed on track for growth. Indeed, our focus on continuously providing our customers with quality products and building strong relationships have served YHI well and we believe these factors will continue to be our strengths in the face of uncertain economic times ahead."

Financial Highlights

The Group continues to benefit from a stronger balance sheet with total assets of about S\$448.2 million and net assets of S\$251.0 million. This gives a significantly higher net asset value per share of 42.93 Singapore cents as at 31 March 2012.

The Group's net working capital was S\$170.1 million. Net cash flows generated from operating activities was S\$3.1 million during the last three months. Cash and cash equivalents balance stood at S\$60.1 million and net gearing ratio was 24.7 per cent as at 31 March 2012.

Market capitalisation was S\$195.8 million, derived from a closing price of 33.5 Singapore cents as at 7 May 2012. The total number of shares issued to date was 584.6 million.

Business Outlook

With the continued uncertainty over the Euro zone sovereign debt situation and the slower growth in China and United States, the outlook of YHI's business operating environment is expected to remain challenging in 2012.

With regard to its manufacturing business, YHI expects crude oil, aluminium prices and currency volatility to continue in 2012. The Group will continue with its efforts on cost improvement initiatives, raise productivity and operating efficiency and to adopt appropriate hedging strategies to mitigate the impact arising from these challenges. Mr Tay added: "Group-wide, we have emphasised sound financial prudence by adopting a "3R" policy. This involves reduction of inventory, risks from debtors, and operating costs to mitigate the global economic uncertainties".

The Group had previously announced its expansion plan in Malacca, Malaysia. The Malacca factory is currently being renovated and the renovation is scheduled to complete by end of second quarter 2012. The first batch of machineries is expected to start arriving in Malacca for installation at the end of second quarter 2012. The installation is scheduled to complete by the end of third quarter 2012 and the production is expected to start in the fourth quarter of this year.

With regard to its distribution business, YHI will continue to seek business opportunities in emerging markets for future growth and to develop business opportunities adopting the multi-product, multi-brand and multi-category marketing strategy to sell tyres, alloy wheels and batteries in its existing sales network where appropriate. The Group expects its distribution business to continue to be its key contributor for YHI.

This press release should be read in conjunction with the full SGX announcement released by YHI dated 8 May 2012. A copy of the announcement is available on www.sgx.com.

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About YHI International Limited (www.yhi.com.sg)

YHI International Limited (YHI) (友发国际有限公司) is a recognised distributor of high-quality automotive and industrial products, and a familiar and trusted brand name in alloy wheels manufacturing as an Original Design Manufacturer (ODM). It provides integrated services from the design and development to the manufacturing, marketing and distribution of alloy wheels.

Today, YHI's wide international presence can be seen in over 100 countries operating through its 30 subsidiaries and one associated company located in Asia Pacific, North America and Europe. YHI distributes a diverse range of automotive products, which includes tyres, alloy wheels, automotive and industrial batteries, as well as golf and utility buggies to more than 5,000 customers globally.

The key tyre brands are Yokohama, Nankang, Nexen, Pirelli, Archilles, Corsa, Nitto and its proprietary brand – Neuton. YHI's portfolio of alloy rims includes renowned brands such as Enkei, OZ, Konig, Advanti Racing and Breyton. Advanti Racing is an official partner to Scuderia Toro Rosso Formula One Team since 2008.

YHI's industrial product portfolio includes both automotive batteries and rechargeable batteries for commercial and industrial use as well as golf and utility buggies from EZGO. Some of the key brands of rechargeable batteries it distributes are Hitachi, Trojan, CSB, Benning, Crown, Vision and FIAMM. YHI also has its own proprietary brand of industrial and automotive batteries called Neuton Power.

As an integrated ODM solutions provider, YHI currently has four alloy wheels manufacturing plants located in Shanghai and Suzhou, China, Taoyuan in Taiwan and Sepang in Malaysia with a current total production capacity of 3.4 million units per annum.

The Group aims to develop YHI into a global brand name where its tagline "The World is Our Market" will come true. Its plan is to continue to strengthen and widen the YHI's distribution network, focusing on the promotion and development of its portfolio of premium and proprietary brands in the global market.

YHI (Malaysia) Sdn Bhd (YHI Malaysia) received the Super Golden Bull 2011 award, which ranked it as the top third winner out of 100 outstanding small and medium-sized enterprises (SMEs) in Malaysia. The award which was organised by Nanyang Siang Pau honoured the best of SMEs in Malaysia. In the Super Golden Bull 2011 award, YHI Malaysia was ranked sixth among the top 10 winners' category.

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