



The **BRILLIANT** Choice

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**FINANCIAL STATEMENTS ANNOUNCEMENT**  
for the period ended 30 June 2010

## Unaudited results for the second quarter and period ended 30 June 2010

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

### Consolidated Income Statement

	Note	Group			Group		
		2Q	2Q	Change	6-months	6-months	Change
		30/06/10	30/06/09		30/06/10	30/06/09	
Unaudited	Unaudited	%	Unaudited	Unaudited	%		
		S\$'000	S\$'000		S\$'000	S\$'000	
Revenue		70,642	65,000	8.7	139,870	129,600	7.9
Cost of sales		(59,039)	(54,430)	8.5	(117,993)	(108,521)	8.7
<b>Gross profit</b>		<b>11,603</b>	<b>10,570</b>	<b>9.8</b>	<b>21,877</b>	<b>21,079</b>	<b>3.8</b>
Other operating income		1,547	1,976	(21.7)	3,074	2,532	21.4
Distribution expenses	1	(2,450)	(1,451)	68.8	(4,363)	(3,178)	37.3
Administrative expenses		(4,907)	(4,263)	15.1	(9,260)	(8,693)	6.5
Net foreign exchange gain/(loss)		32	366	(91.3)	(186)	320	(158.1)
Other operating expenses		(251)	(738)	(66.0)	(462)	(900)	(48.7)
<b>Operating profit</b>		<b>5,574</b>	<b>6,460</b>	<b>(13.7)</b>	<b>10,680</b>	<b>11,160</b>	<b>(4.3)</b>
Finance income		88	22	300.0	160	67	138.8
Finance expense		(1,126)	(1,338)	(15.8)	(2,261)	(2,606)	(13.2)
Net finance expenses		(1,038)	(1,316)	(21.1)	(2,101)	(2,539)	(17.3)
Share of profit of associates	2	1,984	956	107.5	3,835	1,503	155.2
<b>Profit before taxation</b>		<b>6,520</b>	<b>6,100</b>	<b>6.9</b>	<b>12,414</b>	<b>10,124</b>	<b>22.6</b>
Taxation	3	(634)	(1,219)	(48.0)	(1,671)	(2,144)	(22.1)
<b>Profit for the period</b>		<b>5,886</b>	<b>4,881</b>	<b>20.6</b>	<b>10,743</b>	<b>7,980</b>	<b>34.6</b>
<b>Attributable to :</b>							
Equity holders of the Company		4,945	3,817	29.6	9,154	5,544	65.1
Non-controlling interests		941	1,064	(11.6)	1,589	2,436	(34.8)
<b>Profit for the period</b>		<b>5,886</b>	<b>4,881</b>	<b>20.6</b>	<b>10,743</b>	<b>7,980</b>	<b>34.6</b>

### Statement of Comprehensive Income

	Group			Group		
	2Q	2Q	Change	6-months	6-months	Change
	30/06/10	30/06/09		30/06/10	30/06/09	
Unaudited	Unaudited	%	Unaudited	Unaudited	%	
	S\$'000	S\$'000		S\$'000	S\$'000	
<b>Profit for the period</b>	<b>5,886</b>	<b>4,881</b>	<b>20.6</b>	<b>10,743</b>	<b>7,980</b>	<b>34.6</b>
<b>Other comprehensive income (after reclassification adjustments)</b>						
Translation difference relating to financial statement of foreign subsidiaries and associates	(1,732)	(1,015)	70.6	1,239	4,516	(72.6)
<b>Other comprehensive income for the period, net of tax</b>	<b>(1,732)</b>	<b>(1,015)</b>	<b>70.6</b>	<b>1,239</b>	<b>4,516</b>	<b>(72.6)</b>
<b>Total comprehensive income for the period</b>	<b>4,154</b>	<b>3,866</b>	<b>7.4</b>	<b>11,982</b>	<b>12,496</b>	<b>(4.1)</b>
<b>Attributable to :</b>						
Equity holders of the Company	3,586	2,573	39.4	9,342	9,246	1.0
Non-controlling interests	568	1,293	(56.1)	2,640	3,250	(18.8)
<b>Total comprehensive income for the period</b>	<b>4,154</b>	<b>3,866</b>	<b>7.4</b>	<b>11,982</b>	<b>12,496</b>	<b>(4.1)</b>

*n.m.* - not meaningful



**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd)**

**Notes :**

- 1) The increase in distribution expenses was mainly due to increases in freight charges and commission paid to sales agents.
- 2) The increase in the share of profit of associates was mainly due to the higher contribution from Shanghai Asia Holdings Limited.
- 3) Lower effective tax rate mainly due to higher contribution from operations in countries with lower effective tax rate.

**Disclosure to Income Statement**

	Group			Group		
	2Q	2Q	Change	6-months	6-months	Change
	30/06/10	30/06/09		30/06/10	30/06/09	
Unaudited	Unaudited	%	Unaudited	Unaudited	%	
	S\$'000	S\$'000		S\$'000	S\$'000	
Other income including interest income	1,333	1,503	(11.3)	2,332	2,104	10.8
Interest on borrowings	(1,126)	(1,338)	(15.8)	(2,261)	(2,606)	(13.2)
Allowance for inventory obsolescence	-	(56)	(100.0)	-	(78)	(100.0)
Depreciation and amortisation	(2,833)	(2,589)	9.4	(5,662)	(5,210)	8.7
Gain on disposal of property, plant and equipment	310	495	(37.4)	437	495	(11.7)
Gain on disposal of an investment property	(8)	-	n.m	465	-	n.m
Reversal of / (Allowance for) impairment loss for doubtful trade receivables	(4)	145	(102.8)	68	88	(22.7)
Inventory written-off	(20)	(128)	(84.4)	(35)	(192)	(81.8)
Net foreign exchange gain/(loss)	32	366	(91.3)	(186)	320	(158.1)
Property, plant and equipment written-off	-	(2)	(100.0)	(15)	(4)	275.0
Under provision of tax in respect of prior years	-	(46)	(100.0)	-	(46)	(100.0)

**The non-operating items comprise the following:**

	Group			Group		
	2Q	2Q	Change	6-months	6-months	Change
	30/06/10	30/06/09		30/06/10	30/06/09	
Unaudited	Unaudited	%	Unaudited	Unaudited	%	
	S\$'000	S\$'000		S\$'000	S\$'000	
Provision for profit guarantee	-	(452)	(100.0)	-	(452)	(100.0)

n.m. - not meaningful



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

**Statement of Financial Position**

	Note	Group		Company	
		30/06/10 Unaudited S\$'000	31/12/09 Audited S\$'000	30/06/10 Unaudited S\$'000	31/12/09 Audited S\$'000
<b>Non-current assets</b>					
Property, plant and equipment		108,532	106,180	317	1,290
Investment properties		17,196	16,062	2,297	-
Subsidiaries		-	-	106,497	107,341
Associates		57,040	54,723	1,448	1,448
Other investments		1,709	1,730	153	153
Intangible assets		16,032	16,511	-	-
Deferred tax assets		1,739	1,984	-	-
		<b>202,248</b>	<b>197,190</b>	<b>110,712</b>	<b>110,232</b>
<b>Current assets</b>					
Inventories	1	55,856	44,301	-	-
Trade and other receivables		54,210	53,919	11,655	10,794
Cash and cash equivalents		19,049	20,400	87	276
		<b>129,115</b>	<b>118,620</b>	<b>11,742</b>	<b>11,070</b>
<b>Total assets</b>		<b>331,363</b>	<b>315,810</b>	<b>122,454</b>	<b>121,302</b>
<b>Equity attributable to equity holders of the company</b>					
Share capital		112,571	112,571	112,571	112,571
Other reserves	2	(877)	(1,065)	77	77
Accumulated profits/(losses)		17,272	11,606	(24,753)	(21,639)
		<b>128,966</b>	<b>123,112</b>	<b>87,895</b>	<b>91,009</b>
<b>Non-controlling interests</b>					
		31,877	30,826	-	-
<b>Total Equity</b>		<b>160,843</b>	<b>153,938</b>	<b>87,895</b>	<b>91,009</b>
<b>Non-current liabilities</b>					
Trade and other payables		565	623	1,988	1,963
Financial liabilities		58,477	62,408	4,098	3,693
Deferred tax liabilities		4,543	4,426	11	11
		<b>63,585</b>	<b>67,457</b>	<b>6,097</b>	<b>5,667</b>
<b>Current liabilities</b>					
Trade and other payables		48,791	43,040	4,570	5,376
Financial liabilities		56,040	48,504	23,883	19,242
Current tax payable		2,104	2,871	9	8
		<b>106,935</b>	<b>94,415</b>	<b>28,462</b>	<b>24,626</b>
<b>Total liabilities</b>		<b>170,520</b>	<b>161,872</b>	<b>34,559</b>	<b>30,293</b>
<b>Total equity and liabilities</b>		<b>331,363</b>	<b>315,810</b>	<b>122,454</b>	<b>121,302</b>

**Notes :**

- 1) The increase in inventories was mainly due a build up of stocks in anticipation of increased demand from customers.
- 2) Please see paragraph 1(d) (i) for details.

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

	As at 30/06/10		As at 31/12/09	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
<b>Amount repayable in one year or less, or on demand</b>	2,759	53,281	5,374	43,130
<b>Amount repayable after one year</b>	52,702	5,775	58,090	4,318

**Details of any collateral**

The secured bank loans are secured on plant and machinery, freehold land and buildings, inventories, trade receivables and shares in subsidiaries and an associate.



**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 Statement of Cash Flow**

	2Q 30/06/10 Unaudited S\$'000	2Q 30/06/09 Unaudited S\$'000	6-months 30/06/10 Unaudited S\$'000	6-months 30/06/09 Unaudited S\$'000
<b>Operating activities</b>				
Profit before income tax	6,520	6,100	12,414	10,124
<b>Adjustments for :</b>				
Depreciation and amortisation	2,833	2,589	5,662	5,210
Dividend income	(5)	(7)	(11)	(7)
Gain on disposal of property, plant and equipment	(310)	(495)	(437)	(495)
Gain on disposal of an investment property	8	-	(465)	-
Interest income	(88)	(22)	(160)	(67)
Interest expense	1,126	1,338	2,261	2,606
Property, plant and equipment written-off	-	2	15	4
Provision for profit guarantee	-	452	-	452
Share of profit of associates	(1,984)	(956)	(3,835)	(1,503)
<b>Operating profit before working capital changes</b>	<b>8,100</b>	<b>9,001</b>	<b>15,444</b>	<b>16,324</b>
<b>Changes in working capital :</b>				
Inventories	(12,039)	5,559	(11,825)	3,691
Trade and other receivables	2,996	5,841	(1,330)	(3,726)
Trade and other payables	1,935	(211)	5,530	1,199
<b>Cash utilised in operations</b>	<b>992</b>	<b>20,190</b>	<b>7,819</b>	<b>17,488</b>
Income taxes paid	(1,431)	(930)	(2,325)	(1,832)
<b>Cash flows from operating activities</b>	<b>(439)</b>	<b>19,260</b>	<b>5,494</b>	<b>15,656</b>
<b>Investing activities :</b>				
Dividends received	5	7	11	7
Dividends received from associates	1,582	784	1,582	784
Interest received	88	22	160	67
Purchase of other investments	-	(529)	-	(529)
Purchase of property, plant and equipment	(5,583)	(1,984)	(8,301)	(3,583)
Purchase of investment property	(994)	-	(994)	(11)
Proceeds from disposal of property, plant and equipment	338	993	693	993
Proceeds from disposal of investment property	(24)	-	1,361	-
Proceeds from disposal of subsidiaries	-	896	894	1,258
<b>Cash flows from investing activities</b>	<b>(4,588)</b>	<b>189</b>	<b>(4,594)</b>	<b>(1,014)</b>
<b>Financing activities :</b>				
Dividends paid to shareholders	(3,488)	(2,005)	(3,488)	(2,005)
Dividends paid to non-controlling shareholders	(1,589)	(1,349)	(1,589)	(1,349)
Interest paid	(1,126)	(1,338)	(2,261)	(2,606)
Principal payments under hire purchase obligations	(23)	(84)	(44)	(101)
Proceeds from bank borrowings	23,898	9,135	27,514	20,642
Repayment of bank borrowings	(9,736)	(17,800)	(21,026)	(26,870)
<b>Cash flows from financing activities</b>	<b>7,936</b>	<b>(13,441)</b>	<b>(894)</b>	<b>(12,289)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>2,909</b>	<b>6,008</b>	<b>6</b>	<b>2,353</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>16,770</b>	<b>6,886</b>	<b>19,394</b>	<b>10,382</b>
<b>Effect of exchange rate changes on balances held in foreign currency</b>	<b>(630)</b>	<b>155</b>	<b>(351)</b>	<b>314</b>
<b>Cash and cash equivalents at end the period</b>	<b>19,049</b>	<b>13,049</b>	<b>19,049</b>	<b>13,049</b>
Deposits with financial institutions	375	1,245	375	1,245
Cash at banks and in hand	18,674	13,966	18,674	13,966
Bank overdrafts	-	(2,162)	-	(2,162)
	<b>19,049</b>	<b>13,049</b>	<b>19,049</b>	<b>13,049</b>



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**

	Share capital S\$'000	Capital reserve S\$'000	Other reserves			Accumulated (losses)/ profits S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total Equity S\$'000
			Other reserve S\$'000	Currency translation reserve S\$'000	Fair value reserve S\$'000				
<b>Group</b>									
At 1 April 2009	112,571	564	77	(562)	256	5,238	118,144	30,954	149,098
Dividends paid	-	-	-	-	-	(2,005)	(2,005)	-	(2,005)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(1,349)	(1,349)
Total comprehensive income for the period	-	-	-	(1,244)	-	3,817	2,573	1,293	3,866
<b>At 30 June 2009</b>	<b>112,571</b>	<b>564</b>	<b>77</b>	<b>(1,806)</b>	<b>256</b>	<b>7,050</b>	<b>118,712</b>	<b>30,898</b>	<b>149,610</b>
At 1 April 2010	112,571	564	77	(405)	246	15,815	128,868	32,898	161,766
Dividends paid	-	-	-	-	-	(3,488)	(3,488)	-	(3,488)
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	-	(1,589)	(1,589)
Total comprehensive income for the period	-	-	-	(1,359)	-	4,945	3,586	568	4,154
<b>At 30 June 2010</b>	<b>112,571</b>	<b>564</b>	<b>77</b>	<b>(1,764)</b>	<b>246</b>	<b>17,272</b>	<b>128,966</b>	<b>31,877</b>	<b>160,843</b>
<b>Company</b>									
At 1 April 2009	112,571	-	77	-	-	(27,471)	85,177	-	85,177
Total comprehensive income for the period	-	-	-	-	-	230	230	-	230
Dividends paid	-	-	-	-	-	(2,005)	(2,005)	-	(2,005)
<b>At 30 June 2009</b>	<b>112,571</b>	<b>-</b>	<b>77</b>	<b>-</b>	<b>-</b>	<b>(29,246)</b>	<b>83,402</b>	<b>-</b>	<b>83,402</b>
At 1 April 2010	112,571	-	77	-	-	(21,631)	91,017	-	91,017
Total comprehensive income for the period	-	-	-	-	-	366	366	-	366
Dividends paid	-	-	-	-	-	(3,488)	(3,488)	-	(3,488)
<b>At 30 June 2010</b>	<b>112,571</b>	<b>-</b>	<b>77</b>	<b>-</b>	<b>-</b>	<b>(24,753)</b>	<b>87,895</b>	<b>-</b>	<b>87,895</b>



**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.**

Not applicable

**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.**

	As at 30/06/10	As at 31/12/09
Total number of issued shares	274,640,377	274,640,377

No treasury share was held by the Company as at 30 June 2010 and 31 December 2009.

**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.**

These figures have not been audited or reviewed.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 for the year ended 31 December 2009 except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2010.

**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 adoption of the accounting standards and interpretation for the financial period beginning 1 January 2010 are not expected to have material impact on the Group's result.

**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:-**

	Group 2Q 30/06/10	2Q 30/06/09	Group 6-months 30/06/10	6-months 30/06/09
Earnings per share for the period				
(a) Based on the average number of ordinary share	1.80 cts	1.39 cts	3.33 cts	2.02 cts
(b) On a fully diluted basis	1.80 cts	1.39 cts	3.33 cts	2.02 cts



**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**

	Group		Company	
	As at 30/06/10	As at 31/12/09	As at 30/06/10	As at 31/12/09
Net asset value per ordinary share based on existing share capital as at of the year reported on	46.96 cts	44.83 cts	32.00 cts	33.14 cts

**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.

The Group's turnover increased by 8.7% to S\$70.6 million in Q2FY2010 from S\$65.0 million in Q2FY2009. This increase was mainly attributable to higher orders from customers.

The Group's profit before tax increased by 6.9% to S\$6.5 million in Q2FY2010 from S\$6.1 million in Q2FY2009.

The Group's profit after tax attributable to equity holders of the Company increased by 29.6% to S\$4.9 million in Q2FY2010 from S\$3.8 million in Q2FY2009.

Printed Cartons & Labels Division

The turnover of the Printed Cartons & Labels Division increased by 14.0% to S\$35.1 million in Q2FY2010 (S\$30.8 million in Q2FY2009), accounting for 49.7% (47.4% in Q2FY2009) of the Group's turnover.

Specialty Papers Division

The turnover of the Specialty Papers Division increased by 7.7% to S\$26.6 million in Q2FY2010 (S\$24.7 million in Q2FY2009), accounting for 37.6% (38.0% in Q2FY2009) of the Group's turnover.

Trading Division

The turnover of the Trading Division increased by 6.0% to S\$8.9 million in Q2FY2010 (S\$8.4 million in Q2FY2009), representing 12.6% (12.9% in Q2FY2009) of the Group's turnover.

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

Not applicable



**10 A commentary at the date of the announcement of the significant trend 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 global economic conditions continue to be unpredictable. With this in mind, the Group will continue to focus on its core businesses and to take advantage of opportunities in the Asia Pacific region when they arise.

The Directors are cautiously optimistic regarding the Group's future performance.

**11 Dividend**

**(a) Current Financial Period Reported On**

<b>2010</b>	
<b>Ordinary</b>	
<b>Name of Dividend :</b>	Interim tax exempt (1-tier)
<b>Dividend Type :</b>	Cash
<b>Dividend Amount :</b>	0.97 cts per ordinary share
<b>Tax Rate :</b>	0%

**(b) Corresponding Period of the Immediately Preceding Financial Year**

<b>2009</b>	
<b>Ordinary</b>	
<b>Name of Dividend :</b>	Interim tax exempt (1-tier)
<b>Dividend Type :</b>	Cash
<b>Dividend Amount :</b>	0.73 cts per ordinary share
<b>Tax Rate :</b>	0%

**(c) Date payable**

To be advised

**(d) Books closure date**

To be advised

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

Not applicable

**13 Confirmation By the Board**

The Directors of New Toyo International Holdings Ltd (the "Company"), do hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results of the second quarter and period ended 30 June 2010 to be false or misleading in any material aspect.

FOR AND ON BEHALF OF THE BOARD

**Gary Yen**

Executive Director / Chief Executive Officer

12 August 2010

