



NEW TOYO INTERNATIONAL HOLDINGS LTD
(Registration Number: 199601387D)

First Quarter Financial Statement And Dividend Announcement

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

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

I(a)(i) Financial statements for the three months period ended 31 March 2008

		Group		
		SS'000	SS'000	%
		3 mths ended 31.03.2008	3 mths ended 31.3.2007	
	Note			
Revenue	1	45,672	53,845	(15.2)
Cost of sales		(39,084)	(46,213)	(15.4)
Gross profit		6,588	7,632	(13.7)
Other operating income	2	5,945	1,993	198.3
Distribution expenses		(1,102)	(1,454)	(24.2)
Administrative expenses		(3,519)	(5,079)	(30.7)
Net foreign exchange gain		13	307	(95.8)
Other operating expenses	3	(3,282)	(130)	2,424.6
Results from operating activities		4,643	3,269	42.0
Finance costs	4	(643)	(1,639)	(60.8)
Share of results of associates		1,737	1,278	35.9
Profit before income tax		5,737	2,908	97.3
Income tax expense		(662)	(501)	32.1
Profit for the year		5,075	2,407	110.8
Attributable to :				
Equity holders of the Company		4,039	1,518	166.1
Minority interests		1,036	889	16.5
		5,075	2,407	110.8

Notes :

- 1) The 15% decrease in turnover is attributed mainly to the divestment of subsidiaries in year 2007
- 2) The increase is mainly from the gain from the sale of Jiangsu Zhongji Lamination Materials Co., Ltd ("JZLM") to Shanghai Asia Company Pte Ltd, a subsidiary of Shanghai Asia Holdings Limited ("SAH")
- 3) The increase is mainly from impairment loss on a long term investment, property, plant and equipment and loss of divestment of a subsidiary, Inner Mongolia New Asia Co., Ltd ("IMNA").
- 4) The 60.8% decrease in Finance costs is a result of the lower borrowings.

I(a)(ii) Profit and Loss Account Items Required to be Disclosed

		Group		
		SS'000	SS'000	%
		3 mths ended 31.03.2008	3 mths ended 31.3.2007	
Other income including interest income		669	1,956	(65.8)
Interest on borrowings		(643)	(1,639)	(60.8)
Allowance for inventory obsolescence		-	(202)	-
Depreciation of investment properties		(208)	-	n.m
Depreciation of property, plant and equipment		(1,548)	(2,855)	(45.8)
Gain on disposal of other investment		5,262	-	n.m
Gain on disposal of property, plant and equipment		14	37	(62.2)
Impairment loss for doubtful trade receivables		(8)	(31)	(74.2)
Impairment loss on long term investment		(347)	-	n.m
Impairment loss on property, plant and equipment		(588)	-	n.m
Loss on disposal of a subsidiary		(2,027)	-	n.m
Net foreign exchange gain		13	307	(95.8)
Property, plant and equipment write-off		(258)	(1)	n.m
(Under)/over provision of tax in respect of prior years		5	(39)	n.m

n.m. - not meaningful

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

Note	Group		Company	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007
	S\$'000	S\$'000	S\$'000	S\$'000
	<u>Unaudited</u>	<u>Audited</u>	<u>Unaudited</u>	<u>Audited</u>
Non-current assets				
Property, plant and equipment	64,455	70,568	93	113
Investment properties	8,387	8,652	-	-
Subsidiaries	-	-	84,380	83,606
Associates	30,394	28,682	1,294	1,294
Other investments	2,209	11,387	154	8,788
Goodwill on consolidation	3,641	3,647	-	-
Deferred tax assets	712	568	-	-
	109,798	123,504	85,921	93,801
Current assets				
Inventories	25,114	28,998	-	-
Trade and other receivables	67,594	50,442	36,950	18,901
Cash and cash equivalents	14,105	13,562	242	392
	106,813	93,002	37,192	19,293
Total assets	216,611	216,506	123,113	113,094
Equity attributable to equity holders of the company				
Share capital	112,571	112,571	112,571	112,571
Other reserves	(6,542)	(5,151)	77	77
Accumulated profit /(losses)	3,414	(625)	(21,562)	(26,166)
	109,443	106,795	91,086	86,482
Minority interests	30,193	29,963	-	-
Total Equity	139,636	136,758	91,086	86,482
Non-current liabilities				
Trade and other payables	675	1,039	12,828	12,770
Interest-bearing liabilities	6,547	9,171	1,151	1,198
Deferred tax liabilities	4,471	4,443	11	11
	11,693	14,653	13,990	13,979
Current liabilities				
Trade and other payables	19,791	26,070	5,882	5,560
Interest-bearing liabilities	43,413	37,089	12,155	7,073
Current tax payable	2,078	1,936	-	-
	65,282	65,095	18,037	12,633
Total liabilities	76,975	79,748	32,027	26,612
Total equity and liabilities	216,611	216,506	123,113	113,094

Notes :

- 1) The decreased in other investment is due to sale of JZLM shareholdings to SAH.
- 2) Trade and other receivables has increased mainly due to outstanding proceeds from divestments and deposit placed with a supplier.
- 3) Please see paragraph 1(d) for details

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

	As at 31.03.2008		As at 31.12.2007	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	7,621	35,792	10,556	26,533

	As at 31.03.2008		As at 31.12.2007	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable after one year	5,324	1,223	7,658	1,513

Details of any collateral

The secured bank loans are secured on plant and machinery, leasehold land and buildings, inventories, trade receivables and shares in a subsidiary.

- 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 Cashflow Statement for period ended 31.03.2008

	3 mths ended 31.03.2008 S\$'000	3 mths ended 31.03.2007 S\$'000
Operating activities		
Profit before income tax	5,737	2,908
Adjustments for :		
Changes in fair value of investment in unit trust	-	(87)
Depreciation of property, plant and equipment	1,548	2,855
Depreciation of investment properties	208	-
Loss on dilution of a subsidiary	21	-
Gain on disposal of other investment	(5,262)	-
Gain on disposal of property, plant and equipment	(14)	(37)
Loss on disposal of a subsidiary	2,027	-
Impairment loss on long term investment	347	-
Impairment loss on property, plant and equipment	588	-
Interest income	(60)	(95)
Interest expense	643	1,639
Property, plant and equipment written off	258	1
Share of results of associates	(1,737)	(1,278)
Operating profit before working capital changes	4,304	5,906
Changes in working capital :		
Inventories	2,794	(972)
Trade and other receivables	(2,551)	(2,334)
Trade and other payables	(6,267)	1,797
Cash generated from operations	(1,720)	4,397
Income taxes paid	(472)	(371)
Net cash inflow from operating activities	(2,192)	4,026
Investing activities :		
Dividends received from associates	-	1,731
Interest received	60	95
Purchase of property, plant and equipment	(3,359)	(2,276)
Proceeds from disposal of property, plant and equipment	65	780
Net cash outflow from disposal of investment in a subsidiary	(63)	-
Net cash outflow from investing activities	(3,297)	330
Financing activities :		
Capital contribution from minority shareholders	61	-
Dividends paid to minority shareholders	-	(2,537)
Interest paid	(643)	(1,639)
Principal payments under hire purchase obligations	(19)	(22)
Proceeds from bank borrowings	17,882	8,980
Repayment of bank borrowings	(10,957)	(2,587)
Net cash inflow from financing activities	6,324	2,195
Net increase in cash and cash equivalents	835	6,551
Cash and cash equivalents at beginning of year	11,377	17,400
Effect of exchange rate changes on balances held in foreign currency	(254)	13
Cash and cash equivalents at end the period	11,958	23,964
Represented By :		
Deposits with financial institutions	7,170	10,440
Cash at banks and in hand	6,935	15,282
Bank overdrafts	(2,147)	(1,758)
	11,958	23,964

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

	Share capital SS'000	Capital reserves SS'000	Other reserve SS'000	Currency translation reserves SS'000	Fair Value reserves SS'000	Revaluation reserves SS'000	Accumulated profit / (losses) SS'000	Total SS'000	Minority Interests SS'000	Total Equity SS'000
The Group										
At 1 January 2007	112,571	993	77	(9,194)	528	769	(10,685)	95,059	36,014	131,073
Translation differences relating to financial statements of foreign subsidiaries and associates	-	-	-	151	-	-	-	151	189	340
Changes in fair value of equity securities available-for-sale	-	-	-	-	-	97	-	97	-	97
<i>Net gains/(losses) recognised directly in equity</i>	-	-	-	151	-	97	-	248	189	437
Net profit for the period	-	-	-	-	-	-	1,518	1,518	889	2,407
Total Recognised gain/(loss) for the period	-	-	-	151	-	97	1,518	1,766	1,078	2,844
Dividends paid to minority interests	-	-	-	-	-	-	-	-	(2,537)	(2,537)
At 31 March 2007	112,571	993	77	(9,043)	528	866	(9,167)	96,825	34,555	131,380
At 1 January 2008	112,571	993	77	(6,582)	361	-	(625)	106,795	29,963	136,758
Translation differences relating to financial statements of foreign subsidiaries and associates	-	-	-	(1,183)	-	-	-	(1,183)	(359)	(1,542)
Changes in fair value of equity securities available-for-sale	-	-	-	(92)	(116)	-	-	(116)	-	(116)
Disposal of subsidiary	-	-	-	-	-	-	-	(92)	(508)	(600)
<i>Net gains/(losses) recognised directly in equity</i>	-	-	-	(1,275)	(116)	-	-	(1,391)	(867)	(2,258)
Net profit for the period	-	-	-	-	-	-	4,039	4,039	1,036	5,075
Total Recognised gain/(loss) for the year	-	-	-	(1,275)	(116)	-	4,039	2,648	169	2,817
Capital contribution by minority interests	-	-	-	-	-	-	-	-	61	61
At 31 March 2008	112,571	993	77	(7,857)	245	-	3,414	109,443	30,193	139,636
The Company										
At 1 January 2007	112,571	-	77	-	-	-	(42,282)	70,366	-	70,366
Net loss for the period	-	-	-	-	-	-	(72)	(72)	-	(72)
At 31 March 2007	112,571	-	77	-	-	-	(42,354)	70,294	-	70,294
At 1 January 2008	112,571	-	77	-	-	-	(26,166)	86,482	-	86,482
Net profit for the period	-	-	-	-	-	-	4,604	4,604	-	4,604
At 31 March 2008	112,571	-	77	-	-	-	(21,562)	91,086	-	91,086

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 31.03.08	As at 31.12.07
Total number of issued shares	274,640,377	274,640,377

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 Financial statements for the three months period ended 31 March 2008

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 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 2007.

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 Amendments and Interpretations to the Singapore Financial Reporting Standards ("FRSs") for the periods effective from 1 January 2008 are currently being assessed to have no material impact on the Group results.

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

	Group	
	3 mths ended 31.03.2008	3 mths ended 31.03.2007
Earnings per share for the period		
(i) Based on existing issued share capital	1.47 cts	0.55 cts
(ii) On a fully diluted basis	1.47 cts	0.55 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 period reported on and (b) immediately preceding financial year**

	Group		Company	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007
Net asset value per ordinary share based on existing share capital as at of the year reported on	39.85 cts	38.90 cts	33.17 cts	31.49 cts

- 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**

The New Toyo Group's turnover declined 15.2% to \$45.7 million in 1Q FY2008 (\$53.8 million in 1Q FY2007). This was the result of our divestment of various non-performing businesses. Profit before tax, however, increased 97.3% to \$5.7 million (\$2.9 million in 1Q FY2007), supported by a gain from the sale of Jiangsu Zhongji Lamination Materials Co Ltd in exchange of shares in Shanghai Asia Holdings Ltd, and partially offset by write downs and a loss on divestment.

Turnover

The turnover for most business divisions except Trading Business were lower as compared to the previous corresponding period.

Printed Cartons & Labels Division

The turnover of the Printed Cartons & Labels Division decreased to \$13.9 million in 1Q FY2008 (\$18.8 million in 1Q FY2007), accounting for 30.5% (34.9% in 1Q FY2007) of Group's turnover. The lower turnover was mainly due to regular orders and deliveries brought forward in 4Q FY2007 and a decline in demand from the Malaysian Market.

Specialty Papers Division

The turnover of the Specialty Papers Division marginally decreased to \$18.6 million in 1Q FY2008 (\$19.5 million in 1Q FY2007), accounting for 40.9% (36.2% in 1Q FY2007) of Group's turnover.

Corrugated Containers Division

The turnover of the Corrugated Containers Division was \$1.5 million in 1Q FY2008 (\$9.9 million in 1Q FY2007), accounting for 3.2% (18.4% in 1Q FY2007) of Group's turnover. The significantly reduced turnover was a result of the divestment in the business as detailed in Note 3 of paragraph 1(a) in this announcement.

Trading

The turnover of the Trading Division increased to \$11.6 million in 1Q FY2008 (\$5.3 million in 1Q FY2007), representing 25.4% (9.8% in 1Q FY2007) of 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 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 economy remains volatile dampened by the slowdown in the US and European markets. This will flow through into our industry making the market conditions very challenging. The company will continue with its rationalisation to better focus on its core business, improve business efficiency and take advantage of any new strategic opportunities that may arise.

11 Dividend

(a) Current Financial Period Reported On

None

(b) 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/recommendeded, a statement to that effect

No dividend has been declared or recommended during the period.

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 material has come to the attention of the Board of Directors of the Company which may render the 1QFY2008 financial results to be false or misleading.

FOR AND ON BEHALF OF THE BOARD

Gary Yen

Executive Director / Chief Executive Officer

9 May 2008