



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

Third Quarter Financial Statement And Dividend Announcement

**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) Financial statements for the three months period ended 30 September 2008

		Group		
		S\$'000	S\$'000	
		3 mths ended	3 mths ended	%
Note		30.09.2008	30.09.2007	Change
	Revenue	61,260	56,642	8.2
	Cost of sales	(53,356)	(48,754)	9.4
	Gross profit	7,904	7,888	0.2
	Other operating income	984	2,747	(64.2)
1	Distribution expenses	(1,205)	(1,541)	(21.8)
	Administrative expenses	(3,442)	(4,197)	(18.0)
	Net foreign exchange (loss)/gain	(341)	717	(147.6)
	Other operating expenses	(37)	(275)	(86.5)
	Results from operating activities	3,863	5,339	(27.6)
	Finance costs	(657)	(1,209)	(45.7)
2	Share of results of associates	1,825	1,387	31.6
	Profit before income tax	5,031	5,517	(8.8)
	Income tax expense	(1,103)	(623)	77.0
	Profit for the period	3,928	4,894	(19.7)
Attributable to :				
	Equity holders of the Company	2,771	3,993	(30.6)
	Minority interests	1,157	901	28.4
		3,928	4,894	(19.7)

Notes :

- 1) The gain in Q3 FY2007 was mainly from a one-off gain of S\$1.959 million from the divestment of a subsidiary.
- 2) The 45.7% decrease in Finance costs was a result of the lower borrowings in Q3 FY2008, compared to the corresponding period of the previous year.

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

		Group		
		S\$'000	S\$'000	
		3 mths ended	3 mths ended	%
		30.09.2008	30.09.2007	Change
	Other income including interest income	848	527	60.9
	Interest on borrowings	(657)	(1,209)	(45.7)
	Reversal of/(allowance for) inventory obsolescence	60	(221)	n.m
	Depreciation of investment properties	(115)	-	n.m
	Depreciation of property, plant and equipment	(1,525)	(2,040)	(25.2)
	Gain on disposal of property, plant and equipment	136	12	n.m
	Impairment loss for doubtful trade receivables	(77)	(75)	2.7
	Impairment loss on property, plant and equipment	(8)	-	n.m
	Inventory written off	(27)	(424)	(93.6)
	Gain on disposal of subsidiary	-	1,959	-
	Net foreign exchange (loss)/gain	(341)	717	(147.6)
	Property, plant and equipment write-off	(18)	-	n.m
	Under provision of tax in respect of prior years	(62)	(39)	59.0

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	
	30.09.2008	31.12.2007	30.09.2008	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	62,400	70,568	54	113
Investment properties	7,833	8,652	-	-
Subsidiaries	-	-	83,611	83,606
Associates	47,136	28,682	1,294	1,294
Other investments	2,547	11,387	153	8,788
Goodwill on consolidation	3,641	3,647	-	-
Deferred tax assets	712	568	-	-
	124,269	123,504	85,112	93,801
Current assets				
Inventories	34,990	28,998	-	-
Trade and other receivables	52,755	50,442	30,490	18,901
Cash and cash equivalents	15,715	13,562	937	392
	103,460	93,002	31,427	19,293
Total assets	227,729	216,506	116,539	113,094
Equity attributable to equity holders of the company				
Share capital	112,571	112,571	112,571	112,571
Other reserves	(4,722)	(5,151)	77	77
Accumulated profit /(losses)	6,595	(625)	(23,586)	(26,166)
	114,444	106,795	89,062	86,482
Minority interests	28,990	29,963	-	-
Total Equity	143,434	136,758	89,062	86,482
Non-current liabilities				
Trade and other payables	554	1,039	4,107	12,770
Interest-bearing liabilities	3,289	9,171	-	1,198
Deferred tax liabilities	4,297	4,443	11	11
	8,140	14,653	4,118	13,979
Current liabilities				
Trade and other payables	28,237	26,070	3,039	5,560
Interest-bearing liabilities	45,586	37,089	20,320	7,073
Current tax payable	2,332	1,936	-	-
	76,155	65,095	23,359	12,633
Total liabilities	84,295	79,748	27,477	26,612
Total equity and liabilities	227,729	216,506	116,539	113,094

Notes :

- The increase in Associates balance was due to the sale of shareholdings in JZLM (a foil rolling mill in China) to Shanghai Asia Holdings Ltd ("SAH"), in exchange for shares in SAH. The sale resulted in a decrease in the Other Investment balance.
- The increase was attributed partly to higher cost of materials and higher stock holdings.
- Please see paragraph 1(d) (i) for details.

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

	As at 30.09.2008		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	2,306	43,280	10,556	26,533
Amount repayable after one year	92	3,197	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 subsidiaries.

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 30.09.2008

	3 mths ended 30.09.2008 S\$'000	3 mths ended 30.09.2007 S\$'000
Operating activities		
Profit before income tax	5,031	5,517
Adjustments for :		
Depreciation of property, plant and equipment	1,525	2,040
Depreciation of investment properties	115	-
Dividend income	(10)	-
Gain on disposal of other investment	-	(626)
Gain on disposal of property, plant and equipment	(136)	(12)
Gain on disposal of subsidiaries	-	(1,959)
Impairment loss on property, plant and equipment	8	-
Interest income	(171)	(267)
Interest expense	657	1,209
Inventories written off	27	424
Property, plant and equipment written off	18	-
Share of results of associates	(1,825)	(1,387)
Operating profit before working capital changes	5,239	4,939
Changes in working capital :		
Inventories	(9,540)	(929)
Trade and other receivables	3,170	(8,082)
Trade and other payables	3,464	4,534
Cash generated from operations	2,333	462
Income taxes paid	(1,019)	(1,263)
Cash inflows from operating activities	1,314	(801)
Investing activities :		
Dividends received	10	-
Dividends received from associates	613	-
Interest received	171	267
Purchase of property, plant and equipment	(999)	(44)
Proceeds from disposal of other investment	-	2,806
Proceeds from disposal of property, plant and equipment	143	2,971
Proceeds from disposal of subsidiaries	-	8,718
Net cash outflow from disposal of investment in subsidiaries	-	(170)
Cash outflows from investing activities	(62)	14,548
Financing activities :		
Dividends paid to minority shareholders	(1,706)	(1,230)
Interest paid	(657)	(1,209)
Principal payments under hire purchase obligations	(22)	(20)
Proceeds from bank borrowings	5,826	3,893
Repayment of bank borrowings	(5,357)	(13,357)
Cash flows from financing activities	(1,916)	(11,923)
Net increase in cash and cash equivalents	(664)	1,824
Cash and cash equivalents at beginning of period	14,678	21,804
Effect of exchange rate changes on balances held in foreign currency	(527)	268
Cash and cash equivalents at end the period	13,487	23,896
Represented By :		
Deposits with financial institutions	6,846	13,787
Cash at banks and in hand	8,869	12,395
Bank overdrafts	(2,228)	(2,286)
	13,487	23,896

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 S\$'000	Other Reserves					Accumulated profit / (losses) S\$'000	Total S\$'000	Minority Interests S\$'000	Total Equity S\$'000
		Capital reserves S\$'000	Other reserve S\$'000	Currency translation reserves S\$'000	Fair Value reserves S\$'000	Revaluation reserves S\$'000				
The Group										
At 1 July 2007	112,571	993	77	(7,564)	528	998	(6,581)	101,022	32,513	133,535
Translation differences relating to financial statements of foreign subsidiaries and associates	-	-	-	(1,468)	-	-	-	(1,468)	(388)	(1,856)
Disposal of subsidiaries	-	-	-	2,688	-	-	-	2,688	437	3,125
Changes in revaluation reserve	-	-	-	-	-	(998)	-	(998)	-	(998)
<i>Net gains/(losses) recognised directly in equity</i>	-	-	-	1,220	-	(998)	-	222	49	271
Net profit for the period	-	-	-	-	-	-	3,993	3,993	901	4,894
Total Recognised gain/(loss) for the period	-	-	-	1,220	-	(998)	3,993	4,215	950	5,165
Dividends paid to minority interests	-	-	-	-	-	-	-	-	(1,230)	(1,230)
At 30 September 2007	112,571	993	77	(6,344)	528	-	(2,588)	105,237	32,233	137,470
At 1 July 2008	112,571	993	77	(8,531)	245	-	3,824	109,179	29,039	138,218
Translation differences relating to financial statements of foreign subsidiaries and associates	-	-	-	2,494	-	-	-	2,494	500	2,994
<i>Net gains recognised directly in equity</i>	-	-	-	2,494	-	-	-	2,494	500	2,994
Net profit for the period	-	-	-	-	-	-	2,771	2,771	1,157	3,928
Total Recognised gain for the year	-	-	-	2,494	-	-	2,771	5,265	1,657	6,922
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	(1,706)	(1,706)
At 30 September 2008	112,571	993	77	(6,037)	245	-	6,595	114,444	28,990	143,434
The Company										
At 1 July 2007	112,571	-	77	-	-	-	(43,731)	68,917	-	68,917
Net profit for the period	-	-	-	-	-	-	5,429	5,429	-	5,429
At 30 September 2007	112,571	-	77	-	-	-	(38,302)	74,346	-	74,346
At 1 July 2008	112,571	-	77	-	-	-	(23,975)	88,673	-	88,673
Net profit for the period	-	-	-	-	-	-	389	389	-	389
At 30 September 2008	112,571	-	77	-	-	-	(23,586)	89,062	-	89,062

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 30.09.2008	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 30 September 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 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 30.09.2008	3 mths ended 30.09.2007
Earnings per share for the period		
(i) Based on existing issued share capital	1.01 cts	1.45 cts
(ii) On a fully diluted basis	1.01 cts	1.45 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	
	30.09.2008	31.12.2007	30.09.2008	31.12.2007
Net asset value per ordinary share based on existing share capital as at of the year reported on	41.67 cts	38.90 cts	32.43 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 increased 8.2% to \$61.3 million in 3Q FY2008 (\$56.6 million in 3Q FY2007). Profit before tax decreased 8.8% to \$5.0 million in 3Q FY2008 (\$5.5 million in 3Q FY2007). It should be noted that excluding the one-off gain from the divestment in a subsidiary in 3Q FY2007 of S\$2.0 million, the profit before tax improved S\$1.5 million in 3Q FY2008.

Turnover

Printed Cartons & Labels Division

The turnover of the Printed Cartons & Labels Division decreased to \$17.3 million in 3Q FY2008 (\$20.0 million in 3Q FY2007), accounting for 28.2% (35.4% in 3Q FY2007) of the Group's turnover. The decrease was due to delays in certain export orders.

Specialty Papers Division

The turnover of the Specialty Papers Division increased to \$23.9 million in 3Q FY2008 (\$20.3 million in 3Q FY2007), accounting for 39.0% (35.8% in 3Q FY2007) of the Group's turnover.

Corrugated Containers Division

The turnover of the Corrugated Containers Division was \$1.6 million in 3Q FY2008 (\$3.9 million in 3Q FY2007), accounting for 2.6% (6.9% in 3Q FY2007) of the Group's turnover. The reduction in turnover was a result of the divestment in the business.

Trading

The turnover of the Trading Division increased to \$18.5 million in 3Q FY2008 (\$12.4 million in 3Q FY2007), representing 30.2% (21.9% in 3Q FY2007) 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 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 a weak economic outlook and the financial crisis. This will flow through into our industry making the market conditions very challenging. The company will continue to focus on its core businesses, improve operational efficiency and take advantage of any new strategic opportunities that may arise.

Barring unforeseen circumstances, the Directors are cautiously optimistic regarding the Group's future performance supported by the recent acquisitions.

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

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 3Q FY2008 financial statement to be false or misleading in any material aspect.

FOR AND ON BEHALF OF THE BOARD

Gary Yen

Executive Director / Chief Executive Officer

12 November 2008