



The **BRILLIANT** Choice

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**FINANCIAL STATEMENTS ANNOUNCEMENT**  
for the period ended 31 March 2010

## Unaudited results for the first quarter and period ended 31 March 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		Change %
		3-months 31/03/10 Unaudited S\$'000	3-months 31/03/09 Unaudited S\$'000	
Revenue	1	69,228	64,600	7.2
Cost of sales		(58,954)	(54,091)	9.0
<b>Gross profit</b>		<b>10,274</b>	<b>10,509</b>	(2.2)
Other operating income	2	1,527	556	174.6
Distribution expenses		(1,913)	(1,727)	10.8
Administrative expenses		(4,353)	(4,430)	(1.7)
Net foreign exchange loss		(218)	(46)	n.m
Other operating expenses		(211)	(162)	30.2
<b>Operating profit</b>		<b>5,106</b>	<b>4,700</b>	8.6
Finance income		72	45	60.0
Finance expense		(1,135)	(1,268)	(10.5)
Net finance expenses		(1,063)	(1,223)	(13.1)
Share of profit of associates	3	1,851	547	238.4
<b>Profit before taxation</b>		<b>5,894</b>	<b>4,024</b>	46.5
Taxation		(1,037)	(925)	12.1
<b>Profit for the period</b>		<b>4,857</b>	<b>3,099</b>	56.7
<b>Attributable to :</b>				
Equity holders of the Company		4,209	1,727	143.7
Minority interests		648	1,372	(52.8)
<b>Profit for the period</b>		<b>4,857</b>	<b>3,099</b>	56.7

### Statement of Comprehensive Income

	Group		Change %
	3-months 31/03/10 Unaudited S\$'000	3-months 31/03/09 Unaudited S\$'000	
<b>Profit for the period</b>	<b>4,857</b>	<b>3,099</b>	56.7
<b>Other comprehensive income (after reclassification adjustments)</b>			
Translation difference relating to financial statement of foreign subsidiaries and associates	2,971	5,531	(46.3)
<b>Other comprehensive income for the period, net of tax</b>	<b>2,971</b>	<b>5,531</b>	(46.3)
<b>Total comprehensive income for the period</b>	<b>7,828</b>	<b>8,630</b>	(9.3)
<b>Attributable to :</b>			
Equity holders of the Company	5,756	6,673	(13.7)
Minority interests	2,072	1,957	5.9
<b>Total comprehensive income for the period</b>	<b>7,828</b>	<b>8,630</b>	(9.3)

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 revenue was mainly due to additional volumes from a major customer through the supply agreement which was contracted in late 2008.
- 2) The higher other operating income was mainly due to the gain from sales of a property and rental income earned from investment properties.
- 3) The increase in the share of profit of associates was mainly due to the higher contribution from Shanghai Asia Holdings Ltd.

**Disclosure to Income Statement**

	<b>Group</b>		<b>Change</b>
	<b>3-months</b>	<b>3-months</b>	
	<b>31/03/10</b>	<b>31/03/09</b>	
	<b>Unaudited</b>	<b>Unaudited</b>	<b>%</b>
	<b>S\$'000</b>	<b>S\$'000</b>	
Other income including interest income	999	601	66.2
Interest on borrowings	(1,135)	(1,268)	(10.5)
Allowance for inventory obsolescence	-	(22)	(100.0)
Depreciation and amortisation	(2,829)	(2,621)	7.9
Gain on disposal of property, plant and equipment	127	-	n.m
Gain on disposal of an investment property	473	-	n.m
Reversal of / (Allowance for) impairment loss for doubtful trade receivables	72	(57)	(226.3)
Inventory written-off	(15)	(64)	(76.6)
Net foreign exchange loss	(218)	(46)	n.m
Property, plant and equipment written-off	(15)	(2)	n.m

*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	
		31/03/10 Unaudited S\$'000	31/12/09 Audited S\$'000	31/03/10 Unaudited S\$'000	31/12/09 Audited S\$'000
<b>Non-current assets</b>					
Property, plant and equipment		109,224	106,180	1,727	1,290
Investment properties		15,080	16,062	-	-
Subsidiaries		-	-	106,969	107,341
Associates		56,529	54,723	1,448	1,448
Other investments		1,708	1,730	153	153
Intangible assets		16,245	16,511	-	-
Deferred tax assets		1,825	1,984	-	-
		<b>200,611</b>	<b>197,190</b>	<b>110,297</b>	<b>110,232</b>
<b>Current assets</b>					
Inventories		44,053	44,301	-	-
Trade and other receivables	1	57,456	53,919	9,325	10,794
Cash and cash equivalents		16,770	20,400	829	276
		<b>118,279</b>	<b>118,620</b>	<b>10,154</b>	<b>11,070</b>
<b>Total assets</b>		<b>318,890</b>	<b>315,810</b>	<b>120,451</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	482	(1,065)	77	77
Accumulated profits/(losses)		15,815	11,606	(21,631)	(21,639)
		<b>128,868</b>	<b>123,112</b>	<b>91,017</b>	<b>91,009</b>
<b>Minority interests</b>					
		32,898	30,826	-	-
<b>Total Equity</b>		<b>161,766</b>	<b>153,938</b>	<b>91,017</b>	<b>91,009</b>
<b>Non-current liabilities</b>					
Trade and other payables		844	623	1,972	1,963
Financial liabilities		56,967	62,408	3,831	3,693
Deferred tax liabilities		4,561	4,426	11	11
		<b>62,372</b>	<b>67,457</b>	<b>5,814</b>	<b>5,667</b>
<b>Current liabilities</b>					
Trade and other payables	3	46,288	43,040	8,518	5,376
Financial liabilities		45,581	48,504	15,093	19,242
Current tax payable		2,883	2,871	8	8
		<b>94,752</b>	<b>94,415</b>	<b>23,619</b>	<b>24,626</b>
<b>Total liabilities</b>		<b>157,124</b>	<b>161,872</b>	<b>29,433</b>	<b>30,293</b>
<b>Total equity and liabilities</b>		<b>318,890</b>	<b>315,810</b>	<b>120,450</b>	<b>121,302</b>

**Notes :**

- 1) The increase was due to higher revenue towards the end of the quarter.
- 2) Please see paragraph 1(d) (i) for details.
- 3) Trade and other payables includes a provision of S\$2.7 million for the profit guarantee to Shanghai Asia Company Pte Ltd ("SACPL").

This profit guarantee was issued pursuant to a share purchase agreement ("SPA") signed by the Company, 2 other vendors and SACPL on 6 November 2007 in relation to the sale of the Vendors' equity stakes in Jiangsu Zhongji Lamination Materials Co. Ltd ("JZLM") to SACPL. Under the SPA, the three Vendors warranted to SACPL that the net profit of JZLM for the financial years ended 31 December 2008 and 2009 would not be less than RMB160 million (both years combined). Based on the audited accounts of JZLM, the total profit was RMB77.9 million. The Company's 16% share of the shortfall in the profit guarantee, as per the SPA, is RMB13.1million (approximately S\$2.65million).

The Company has made sufficient provision in FY08 and FY09 for the above profit guarantee, thus no further provision is necessary pertaining to the profit shortfall arising from JZLM's FY08 and FY09 result.

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

	As at 31/03/10		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>	2,815	42,766	5,374	43,130
<b>Amount repayable after one year</b>	53,467	3,500	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**

	<b>3-months 31/03/10 Unaudited S\$'000</b>	<b>3-months 31/03/09 Unaudited S\$'000</b>
<b>Operating activities</b>		
Profit before income tax	5,894	4,024
<b>Adjustments for :</b>		
Depreciation and amortisation	2,829	2,621
Dividend income	(6)	-
Gain on disposal of property, plant and equipment	(127)	-
Gain on disposal of an investment property	(473)	-
Interest income	(72)	(45)
Interest expense	1,135	1,268
Property, plant and equipment written-off	15	2
Share of profit of associates	(1,851)	(547)
<b>Operating profit before working capital changes</b>	<b>7,344</b>	<b>7,323</b>
<b>Changes in working capital :</b>		
Inventories	214	(1,868)
Trade and other receivables	(4,326)	(9,567)
Trade and other payables	3,595	1,410
<b>Cash utilised in operations</b>	<b>6,827</b>	<b>(2,702)</b>
Income taxes paid	(894)	(902)
<b>Cash flows from operating activities</b>	<b>5,933</b>	<b>(3,604)</b>
<b>Investing activities :</b>		
Dividends received	6	-
Interest received	72	45
Purchase of property, plant and equipment	(2,718)	(1,599)
Purchase of investment property	-	(11)
Proceeds from disposal of property, plant and equipment	355	-
Proceeds from disposal of investment property	1,385	-
Proceeds from disposal of subsidiaries	894	362
<b>Cash flows from investing activities</b>	<b>(6)</b>	<b>(1,203)</b>
<b>Financing activities :</b>		
Interest paid	(1,135)	(1,268)
Principal payments under hire purchase obligations	(21)	(17)
Proceeds from bank borrowings	3,616	11,507
Repayment of bank borrowings	(11,290)	(9,070)
<b>Cash flows from financing activities</b>	<b>(8,830)</b>	<b>1,152</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,903)</b>	<b>(3,655)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>19,394</b>	<b>10,382</b>
<b>Effect of exchange rate changes on balances held in foreign currency</b>	<b>279</b>	<b>159</b>
<b>Cash and cash equivalents at end the period</b>	<b>16,770</b>	<b>6,886</b>
Deposits with financial institutions	630	1,757
Cash at banks and in hand	16,140	7,722
Bank overdrafts	-	(2,593)
	<b>16,770</b>	<b>6,886</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	Minority 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 January 2009	112,571	564	77	(5,508)	256	3,511	111,471	28,997	140,468
Total comprehensive income for the period	-	-	-	4,946	-	1,727	6,673	1,957	8,630
<b>At 31 March 2009</b>	<b>112,571</b>	<b>564</b>	<b>77</b>	<b>(562)</b>	<b>256</b>	<b>5,238</b>	<b>118,144</b>	<b>30,954</b>	<b>149,098</b>
At 1 January 2010	112,571	564	77	(1,952)	246	11,606	123,112	30,826	153,938
Total comprehensive income for the period	-	-	-	1,547	-	4,209	5,756	2,072	7,828
<b>At 31 March 2010</b>	<b>112,571</b>	<b>564</b>	<b>77</b>	<b>(405)</b>	<b>246</b>	<b>15,815</b>	<b>128,868</b>	<b>32,898</b>	<b>161,766</b>
<b>Company</b>									
At 1 January 2009	112,571	-	77	-	-	(27,143)	85,505	-	85,505
Total comprehensive income for the period	-	-	-	-	-	(328)	(328)	-	(328)
<b>At 31 March 2009</b>	<b>112,571</b>	<b>-</b>	<b>77</b>	<b>-</b>	<b>-</b>	<b>(27,471)</b>	<b>85,177</b>	<b>-</b>	<b>85,177</b>
At 1 January 2010	112,571	-	77	-	-	(21,639)	91,009	-	91,009
Total comprehensive income for the period	-	-	-	-	-	8	8	-	8
<b>At 31 March 2010</b>	<b>112,571</b>	<b>-</b>	<b>77</b>	<b>-</b>	<b>-</b>	<b>(21,631)</b>	<b>91,017</b>	<b>-</b>	<b>91,017</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 31/03/10	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 31 March 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.**

Please refer item 4 above.

**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	
	3-months 31/03/10	3-months 31/03/09
Earnings per share for the period		
(a) Based on the average number of ordinary share	1.53 cts	0.63 cts
(b) On a fully diluted basis	1.53 cts	0.63 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 31/03/10	As at 31/12/09	As at 31/03/10	As at 31/12/09
Net asset value per ordinary share based on existing share capital as at of the year reported on	46.92 cts	44.83 cts	33.14 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 7.2% to S\$69.2 million in Q1FY2010 from S\$64.6 million in Q1FY2009. This increase was mainly attributable to better market demand.

The Group's profit before tax increased by 46.5% to S\$5.9 million in Q1FY2010 from S\$4.0 million in Q1FY2009.

The Group's profit after tax attributable to equity holders of the Company increased by 143.7% to S\$4.2 million in Q1FY2010 from S\$1.7 million in Q1FY2009.

Printed Cartons & Labels Division

The turnover of the Printed Cartons & Labels Division increased by 17.7% to S\$35.9 million in Q1FY2010 (S\$30.5 million in Q1FY2009), accounting for 51.9% (47.2% in Q1FY2009) of the Group's turnover.

Specialty Papers Division

The turnover of the Specialty Papers Division increased by 2.2% to S\$22.9 million in Q1FY2010 (S\$22.4 million in Q1FY2009), accounting for 33.1% (34.7% in Q1FY2009) of the Group's turnover.

Trading Division

The turnover of the Trading Division decreased by 11.4% to S\$9.3 million in Q1FY2010 (S\$10.5 million in Q1FY2009), representing 13.4% (16.2% in Q1FY2009) 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**

**Any dividend declared for the current financial period reported on?**

None

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

**Any dividend declared for the 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 has come to the attention of the Board of Directors of the Company which may render the unaudited financial results of the first quarter and period ended 31 March 2010 to be false or misleading in any material aspect.

FOR AND ON BEHALF OF THE BOARD

**Gary Yen**

Executive Director / Chief Executive Officer

13 May 2010

