



Miyoshi Precision Limited

(Incorporated in the Republic of Singapore)
(Company Registration No. 198703979K)

Second Quarter FY2014 Financial Statements and Dividend Announcement

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

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

UNAUDITED RESULTS FOR THE PERIOD ENDED 28 FEBRUARY 2014

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Note	3 months ended			6 months ended		
		28-Feb-14 S\$'000	28-Feb-13 S\$'000	Change %	28-Feb-14 S\$'000	28-Feb-13 S\$'000	Change %
Revenue		15,860	54,456	-70.9%	43,998	108,841	-59.6%
Other operating income	(i)	1,092	485	125.2%	7,265	839	765.9%
Changes in inventories of finished goods and work-in-progress		(1,033)	(1,107)	-6.7%	(1,094)	(1,307)	-16.3%
Raw materials and consumables used		(8,321)	(39,472)	-78.9%	(25,364)	(79,249)	-68.0%
Employee benefit expenses		(3,499)	(8,189)	-57.3%	(9,423)	(15,726)	-40.1%
Depreciation expense		(1,150)	(1,662)	-30.8%	(2,572)	(3,295)	-21.9%
Other operating expenses	(ii)	(3,584)	(5,803)	-38.2%	(8,256)	(11,666)	-29.2%
Finance costs		(60)	(122)	-50.8%	(158)	(234)	-32.5%
Share of results of associates		63	14	350.0%	109	31	251.6%
Profit / (loss) before income tax		(632)	(1,400)	-54.9%	4,505	(1,766)	N.M.
Income tax expense		(63)	(118)	-46.6%	(174)	(284)	-38.7%
Profit / (loss) for the period	(iii)	(695)	(1,518)	-54.2%	4,331	(2,050)	N.M.
Profit / (loss) attributable to:							
Owners of the parent		(653)	(1,528)	-57.3%	4,278	(2,197)	N.M.
Non-controlling interests		(42)	10	N.M.	53	147	-63.9%
		(695)	(1,518)	-54.2%	4,331	(2,050)	N.M.
Profit / (loss) for the period		(695)	(1,518)	-54.2%	4,331	(2,050)	N.M.
Other comprehensive income							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Foreign currency translation, net of tax		279	1,244	-77.6%	(685)	108	N.M.
Total comprehensive income for the period		(416)	(274)	51.8%	3,646	(1,942)	N.M.
Total comprehensive income attributable to:							
Owners of the parent		(356)	(450)	-20.9%	3,713	(2,200)	N.M.
Non-controlling interests		(60)	176	N.M.	(67)	258	N.M.
		(416)	(274)	51.8%	3,646	(1,942)	N.M.

N.M. denotes not meaningful

Notes:

1(a)(i) Other operating income includes the following:

OTHER OPERATING INCOME	3 months ended		6 months ended	
	28-Feb-14	28-Feb-13	28-Feb-14	28-Feb-13
	S\$'000	S\$'000	S\$'000	S\$'000
Gain on disposal of asset held for sale	-	-	5,132	-
Gain on disposal of plant and equipment	-	23	-	-
Income from sales of scrap	196	305	427	549
Interest income from an associate	7	6	12	12
Interest income from non-related companies	23	52	55	110
Miscellaneous income	109	72	187	113
Reversal of allowance for doubtful trade receivables	-	-	11	-
Reversal of impairment of plant and equipment	709	-	709	1
Reversal of impairment loss of disposal group	-	-	643	-
Rental income	48	27	89	54
	1,092	485	7,265	839

1(a)(ii) Other operating expenses include the following:

OTHER OPERATING EXPENSES	3 months ended		6 months ended	
	28-Feb-14	28-Feb-13	28-Feb-14	28-Feb-13
	S\$'000	S\$'000	S\$'000	S\$'000
Maintenance	198	358	519	780
Professional fees	189	442	528	791
Supplies and services	1,289	1,935	3,301	4,187
Transportation and travelling	266	484	658	990
Bad debt written off, trade	-	-	-	1
Loss on foreign exchange, net	111	-	133	26
Plant and equipment written off	2	-	5	-
Utilities	653	1,432	1,856	2,898
Others	876	1,152	1,256	1,993
	3,584	5,803	8,256	11,666

1(a)(iii) Loss for the period is arrived at after charging/(crediting) the following:

OTHER CHARGES AND CREDITS	3 months ended		6 months ended	
	28-Feb-14	28-Feb-13	28-Feb-14	28-Feb-13
	S\$'000	S\$'000	S\$'000	S\$'000
Allowance for inventory obsolescence	188	304	27	304
Loss on disposal of plant and equipment	217	-	226	4

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

STATEMENTS OF FINANCIAL POSITION	Group		Company	
	As At		As At	
	28-Feb-14 S\$'000	31-Aug-13 S\$'000	28-Feb-14 S\$'000	31-Aug-13 S\$'000
ASSETS				
Current assets:				
Cash and bank balances	8,682	9,127	3,201	2,057
Fixed deposits	2,624	1,822	1,200	-
Trade receivables	15,457	16,582	2,423	4,946
Other receivables and prepayments	4,311	2,559	1,395	1,458
Inventories	7,096	7,555	993	2,708
Non-current assets held for sale	1,951	3,908	-	1,943
Assets of a disposal group held for sale	-	24,188	-	-
Total current assets	40,121	65,741	9,212	13,112
Non-current assets:				
Investment in associates	3,249	53	2,801	120
Investment in joint venture	-	-	-	-
Subsidiaries	-	-	19,412	21,552
Available-for-sale financial assets	18	18	4	4
Property, plant and equipment	21,619	23,316	4,381	4,610
Deferred tax assets	49	50	-	-
Loans receivable	2,309	2,313	2,309	2,313
Total non-current assets	27,244	25,750	28,907	28,599
Total assets	67,365	91,491	38,119	41,711
LIABILITIES AND EQUITY				
Current liabilities:				
Bank overdrafts	576	578	-	-
Trade payables	7,242	7,978	958	2,750
Other payables and accruals	3,773	4,313	815	1,161
Current income tax payable	48	32	-	-
Finance leases	21	97	21	97
Bank loans	1,635	4,865	1,508	4,742
Other loan	27	-	-	-
Liabilities of a disposal group held for sale	-	17,502	-	-
Total current liabilities	13,322	35,365	3,302	8,750
Non-current liabilities:				
Finance leases	35	45	35	45
Bank loans	990	1,058	-	-
Other loan	302	337	-	-
Provisions	296	260	-	-
Total non-current liabilities	1,623	1,700	35	45
Total liabilities	14,945	37,065	3,337	8,795
Capital and reserves:				
Share capital	37,389	37,389	37,389	37,389
Treasury share reserve	-	(55)	-	(55)
Fair value reserve	(12)	(8)	-	-
Other reserve	710	1,063	-	-
Share options reserve	379	474	379	474
Currency translation reserve	(13,304)	(12,840)	(14,023)	(13,811)
Retained earnings	24,663	21,634	11,037	8,919
Equity attributable to owners of the parent	49,825	47,657	34,782	32,916
Non-controlling interests	2,595	6,769	-	-
Total equity	52,420	54,426	34,782	32,916
Total liabilities and equity	67,365	91,491	38,119	41,711

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As At 28 February 2014 SS\$'000		As At 31 August 2013 SS\$'000	
Secured	Unsecured	Secured	Unsecured
148	1,535	2,602	4,742

Amount repayable after one year

As At 28 February 2014 SS\$'000		As At 31 August 2013 SS\$'000	
Secured	Unsecured	Secured	Unsecured
1,025	302	1,103	337

The Group's secured borrowings comprise finance leases, short-term bank loans and long-term bank loans.

Finance leases:

Finance leases of the Group are secured on the plant and machinery under finance lease. The current and non-current balance of these finance leases as at 28 February 2014 were S\$21,000 and S\$35,000 respectively (31 August 2013: S\$565,000 and S\$45,000; included in the S\$565,000, a balance of S\$468,000 was classified as liabilities of a disposal group held for sale); and the net book value of the plant and machinery under these finance leases as at 28 February 2014 was S\$87,000 (31 August 2013: S\$265,000).

Short-term bank loans:

The Group's unsecured borrowing comprises short-term bank loans from the banks of the Company and other loan from non-controlling shareholder of Miyoshi Hi-Tech Co., Ltd, a subsidiary of the Company. The balance of short term bank loans as at 28 February 2014 was S\$1,508,000 (31 August 2013: S\$4,742,000) and the current and non-current balances of other loan as at 28 February 2014 were S\$27,000 and S\$302,000 respectively (31 August 2013: S\$Nil and S\$337,000).

Long-term bank loans:

Long-term bank loans of the Group are secured by a legal charge over the leasehold land and buildings of subsidiaries, a corporate guarantee by the Company and a letter of comfort from the Company. The current and non-current balances of these long-term bank loans as at 28 February 2014 were S\$127,000 and S\$990,000 respectively (31 August 2013: S\$123,000 and S\$1,058,000).

Bank loans of Giken Sakata (S) Limited ("Giken"), a then subsidiary of the Company as at 31 August 2013, comprised short term bank loans and long term bank loans. The balances of these bank loans as at 31 August 2013 were S\$496,000 and S\$1,418,000 respectively. The short term bank loans were secured against properties of Giken's subsidiary, Changzhou Giken Precision Co., Ltd and the long term bank loans were secured by a fixed and floating charge on assets and properties of Giken and its subsidiary, PT Giken Precision Indonesia. These loans were classified as liabilities of a disposal group held for sale as at 31 August 2013.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOWS	Group		Group	
	3 months ended		6 months ended	
	28-Feb-14 S\$'000	28-Feb-13 S\$'000	28-Feb-14 S\$'000	28-Feb-13 S\$'000
Operating activities:				
Profit/(loss) before income tax	(632)	(1,400)	4,505	(1,766)
Adjustments for:				
Allowance for inventory obsolescence	188	304	27	304
Bad debts written off - trade	-	-	-	1
Depreciation expense	1,150	1,662	2,572	3,295
Interest expense	60	122	158	234
Interest income	(30)	(58)	(67)	(122)
Gain on disposal of asset held for sale	-	-	(5,132)	-
Loss/(gain) on disposal of plant and equipment	217	(23)	226	4
Plant and equipment written off	2	-	5	-
Reversal of impairment of plant and equipment	(709)	-	(709)	(1)
Reversal of impairment loss of disposal group	-	-	(643)	-
Reversal of allowance for doubtful trade receivables	-	-	(11)	-
Share of results of associates	(63)	(14)	(109)	(31)
Operating cash flows before movements in working capital	183	593	822	1,918
Trade receivables	595	(736)	791	2,098
Other receivables and prepayments	(663)	(744)	(2,290)	(901)
Inventories	756	277	431	(658)
Trade payables	(894)	1,077	(898)	(687)
Other payables and accruals	(405)	(1,032)	(611)	(506)
Cash (used in) / generated from operations	(427)	(565)	(1,755)	1,264
Interest paid	(60)	(122)	(158)	(234)
Interest received	30	58	67	122
Income tax paid	(89)	190	(111)	44
Dividend paid	(1,683)	-	(1,683)	-
Net cash (used in) / from operating activities	(2,229)	(439)	(3,640)	1,196
Investing activities:				
Loans receivable	(5)	(11)	25	(16)
Disposal of subsidiary, net of cash disposed (Note 1)	-	-	(3,504)	-
Proceeds from disposal of asset held for sale	-	-	7,200	-
Proceeds from disposal of plant and equipment	245	(70)	901	(39)
Purchase of plant and equipment	(815)	(1,133)	(1,325)	(1,977)
Net cash from/ (used in) investing activities	(575)	(1,214)	3,297	(2,032)
Financing activities:				
Proceeds from other loans	-	936	-	936
Proceeds from disposal of treasury shares	-	-	32	-
Repayment of bank loans	(537)	(393)	(3,297)	(1,025)
Repayment of finance leases	(29)	(193)	(87)	(400)
(Decrease) / increase in restricted cash	(2)	-	(2)	826
Net cash (used in) / from financing activities	(568)	350	(3,354)	337
Effect of exchange rate changes on cash and cash equivalents	45	294	28	103
Decrease in cash and cash equivalents	(3,327)	(1,009)	(3,669)	(396)
Cash and cash equivalents at beginning of period	13,913	15,927	14,254	15,314
Cash and cash equivalents at end of period	10,585	14,918	10,585	14,918
Cash and cash equivalents at end of period includes the following:				
Cash and bank balances	8,682	12,773	8,682	12,773
Fixed deposits	2,624	3,086	2,624	3,086
Bank overdrafts	(576)	(796)	(576)	(796)
	10,730	15,063	10,730	15,063
Restricted cash	(145)	(145)	(145)	(145)
Cash and cash equivalents at end of period	10,585	14,918	10,585	14,918

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

Note 1:

The effects of the disposal of subsidiary on the cash flows are as follows:

Disposal of subsidiary	3 months ended		6 months ended	
	28-Feb-14 S\$'000	28-Feb-13 S\$'000	28-Feb-14 S\$'000	28-Feb-13 S\$'000
Trade receivables	-	-	13,140	-
Other receivables	-	-	428	-
Inventories	-	-	5,347	-
Cash and bank balances	-	-	4,926	-
Property, plant and equipment	-	-	4,790	-
Trade payables	-	-	(11,344)	-
Other payables	-	-	(3,455)	-
Finance leases and term loan	-	-	(2,057)	-
Non-controlling interests	-	-	(4,107)	-
Net assets attributable to the Group	-	-	7,668	-
Net assets disposed off			3,834	-
Add: Reversal of impairment loss of disposal group			643	-
Less: Investment in associate			(3,055)	-
Less: cash and bank balances	-	-	(4,926)	-
Cash flows on disposal, net of cash disposed	-	-	(3,504)	-

The dilution of the Company's equity interest in Giken Sakata (S) Limited ("Giken") is considered a deemed disposal of its interest in Giken.

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 FOR THE SECOND QUARTER ENDED 28 FEBRUARY 2014	Share Capital	Treasury Share Reserve	Fair Value Reserve	Other Reserve	Share Options Reserve	Currency Translation Reserve	Retained Earnings	Equity Attributable to Owners of the Parent	Non-Controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 30 November 2013	37,389	-	(12)	710	474	(13,601)	26,904	51,864	2,655	54,519
Profit for the period	-	-	-	-	-	-	(653)	(653)	(42)	(695)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Foreign currency translations	-	-	-	-	-	297	-	297	(18)	279
Total comprehensive income for the period	-	-	-	-	-	297	(653)	(356)	(60)	(416)
Distribution to owners	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(1,683)	(1,683)	-	(1,683)
Total distribution to owners	-	-	-	-	-	-	(1,683)	(1,683)	-	(1,683)
Transactions with owners of the parent recognised directly in equity	-	-	-	-	-	-	-	-	-	-
Share options lapsed	-	-	-	-	(95)	-	95	-	-	-
Total transactions with owners of the parent recognised directly in equity	-	-	-	-	(95)	-	95	-	-	-
Total transactions with owners of the parent	-	-	-	-	(95)	-	(1,588)	(1,683)	-	(1,683)
Balance at 28 February 2014	37,389	-	(12)	710	379	(13,304)	24,663	49,825	2,595	52,420

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. (continued)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 28 FEBRUARY 2013	Share Capital	Treasury Share Reserve	Fair Value Reserve	Other Reserve	Share Options Reserve	Currency Translation Reserve	Retained Earnings	Equity Attributable to Owners of the Parent	Non- Controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 30 November 2012	37,389	(55)	(10)	1,076	505	(14,678)	25,825	50,052	6,875	56,927
(Loss) / profit for the period	-	-	-	-	-	-	(1,528)	(1,528)	10	(1,518)
Other comprehensive income for the period										
Foreign currency translations	-	-	-	-	-	1,078	-	1,078	166	1,244
Total comprehensive income for the period	-	-	-	-	-	1,078	(1,528)	(450)	176	(274)
Transactions with owners of the parent recognised directly in equity										
Share options lapsed	-	-	-	-	(15)	-	15	-	-	-
Total transactions with owners of the parent recognised directly in equity	-	-	-	-	(15)	-	15	-	-	-
Total transactions with owners of the parent	-	-	-	-	(15)	-	15	-	-	-
Balance at 28 February 2013	37,389	(55)	(10)	1,076	490	(13,600)	24,312	49,602	7,051	56,653

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. (continued)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 28 FEBRUARY 2014	Share Capital	Treasury Share Reserve	Fair Value Reserve	Other Reserve	Share Options Reserve	Currency Translation Reserve	Retained Earnings	Equity Attributable to Owners of the Parent	Non-Controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 31 August 2013	37,389	(55)	(8)	1,063	474	(12,840)	21,634	47,657	6,769	54,426
Profit for the period	-	-	-	-	-	-	4,278	4,278	53	4,331
Other comprehensive income for the period	-	-	(4)	-	-	(561)	-	(565)	(120)	(685)
Foreign currency translations	-	-	(4)	-	-	(561)	-	(565)	(120)	(685)
Total comprehensive income for the period	-	-	(4)	-	-	(561)	4,278	3,713	(67)	3,646
Distribution to owners	-	-	-	-	-	-	(1,683)	(1,683)	-	(1,683)
Dividends	-	-	-	-	-	-	(1,683)	(1,683)	-	(1,683)
Total distribution to owners	-	-	-	-	-	-	(1,683)	(1,683)	-	(1,683)
Transactions with owners of the parent recognised directly in equity	-	-	-	-	(95)	-	95	-	-	-
Share options lapsed	-	-	-	-	(95)	-	95	-	-	-
Total transactions with owners of the parent recognised directly in equity	-	-	-	-	(95)	-	95	-	-	-
Contributions by owners	-	55	-	-	-	(9)	(14)	32	-	32
Disposal of treasury shares	-	55	-	-	-	(9)	(14)	32	-	32
Total contributions by owners	-	55	-	-	-	(9)	(14)	32	-	32
Change in ownership interest in a subsidiary	-	-	-	(353)	-	106	353	106	(4,107)	(4,001)
Disposal of subsidiary	-	-	-	(353)	-	106	353	106	(4,107)	(4,001)
Total change in ownership interest in a subsidiary	-	-	-	(353)	-	106	353	106	(4,107)	(4,001)
Total transactions with owners of the parent	-	55	-	(353)	(95)	97	(1,249)	(1,545)	(4,107)	(5,652)
Balance at 28 February 2014	37,389	-	(12)	710	379	(13,304)	24,663	49,825	2,595	52,420

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. (continued)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 28 FEBRUARY 2013	Share Capital	Treasury Share Reserve	Fair Value Reserve	Other Reserve	Share Options Reserve	Currency Translation Reserve	Retained Earnings	Equity Attributable to Owners of the Parent	Non-Controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 31 August 2012	37,389	(55)	(10)	1,076	505	(13,597)	26,494	51,802	6,793	58,595
(Loss) / profit for the period	-	-	-	-	-	-	(2,197)	(2,197)	147	(2,050)
Other comprehensive income for the period										
Foreign currency translations	-	-	-	-	-	(3)	-	(3)	111	108
Total comprehensive income for the period	-	-	-	-	-	(3)	(2,197)	(2,200)	258	(1,942)
Transactions with owners of the parent recognised directly in equity										
Share options lapsed	-	-	-	-	(15)	-	15	-	-	-
Total transactions with owners of the parent recognised directly in equity	-	-	-	-	(15)	-	15	-	-	-
Total transactions with owners of the parent	-	-	-	-	(15)	-	15	-	-	-
Balance at 28 February 2013	37,389	(55)	(10)	1,076	490	(13,600)	24,312	49,602	7,051	56,653

- 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.**

The Company has on 20 November 2013 sold its entire 499,000 treasury shares for cash. Following the sale, the Company did not hold any treasury shares as at 28 February 2014 (28 February 2013: 499,000 shares). The Company did not issue any new ordinary shares during the financial period under review.

The number of ordinary shares that may be issued upon exercise of all share options outstanding as at 28 February 2014 was 2,775,000 (28 February 2013: 4,408,000).

- 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 28 February 2014	As At 31 August 2013
Total number of issued shares	420,669,490	420,669,490
Less: Treasury shares	-	(499,000)
Total number of shares excluding treasury shares	420,669,490	420,170,490

- 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.**

Other than the sale of treasury shares mentioned in 1(d)(ii) above, no treasury shares were sold, transferred, disposed, cancelled and/or used as at the end of the current financial period reported on.

- 2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by our auditors.

- 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 financial information has been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of the last financial year, except for the adoption of the new or revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") which became effective for the current financial year. The adoption of these FRS and INT FRS did not result in any substantial changes to the Group's accounting policies.

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.

Not applicable.

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.

	3 months ended		6 months ended	
	28-Feb-14 Cents	28-Feb-13 Cents	28-Feb-14 Cents	28-Feb-13 Cents
(i) Based on weighted average / actual number of ordinary shares in issue	(0.16)	(0.36)	1.02	(0.52)
(ii) On a fully diluted basis	(0.16)	(0.36)	1.02	(0.52)

	Number of shares	
	28-Feb-14	28-Feb-13
Weighted average number of ordinary shares	420,448,938	420,170,490

Diluted earnings /(loss) per share is the same as the basic earnings /(loss) per share because the potential ordinary shares to be converted are anti-dilutive as the effect of the shares conversion would be to increase the earnings or decrease the loss per share.

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 issuers at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group	Company
As at 28 February 2014	11.84 cents	8.27 cents
As at 31 August 2013	11.34 cents	7.83 cents

Net asset per share is calculated based on the existing number of shares in issue as at 28 February 2014 of 420,669,490 (31 August 2013: 420,170,490).

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.

Statement of Comprehensive Income

Quarter Revenue by Business Segment	Data Storage ("DS")	Consumer Electronic ("CE")	Medical ("MED")	Automotive Microshaft and Others ("AMO")	Total
2QFY2014 revenue (S\$mil)	9.44	5.50	-	0.92	15.86
2QFY2014 % by business segment	59.5%	34.7%	-	5.8%	100.0%
2QFY2013 revenue (S\$mil)	9.80	38.37	1.09	5.20	54.46
2QFY2013 % by business segment	18.0%	70.5%	2.0%	9.5%	100.0%
Increase/(decrease) (S\$mil)	(0.36)	(32.87)	(1.09)	(4.28)	(38.60)
Increase/(decrease) (%)	(3.7%)	(85.7%)	N.M	(82.3%)	(70.9%)

Year to Date Revenue by Business Segment	DS	CE	MED	AMO	Total
FY2014 revenue (S\$mil)	19.83	19.00	0.67	4.50	44.00
FY2014 % by business segment	45.1%	43.2%	1.5%	10.2%	100%
FY2013 revenue (S\$mil)	19.02	77.43	2.04	10.35	108.84
FY2013 % by business segment	17.5%	71.1%	1.9%	9.5%	100%
Increase/(decrease) (S\$mil)	0.81	(58.43)	(1.37)	(5.85)	(64.84)
Increase/(decrease) (%)	4.3%	(75.5%)	(67.2%)	(56.5%)	(59.6%)

The Group's revenue for the quarter under review (2QFY2014) was S\$15.86m (2Q FY2013: S\$54.46m) and 1st half FY2014 was S\$44.00m (1st half FY2013: S\$108.84 m). The significantly lower revenue was mainly due to the revenue from Giken Sakata (S) Limited ("Giken") not consolidated in 2QFY2014 (2QFY2013: S\$39.67m {CE S\$35.24m; MED S\$1.08m & AMO S\$3.35m}) & only two months revenue of S\$13.01m was consolidated for 1st Half FY2014 (1st Half FY2013: S\$79.51m) as Giken became an associate company of the Group following the completion of Giken's placement and subscription of new shares in October 2013. This also explained the 2QFY2014 zero revenue for Medical ("MED") as this business segment belongs to Giken.

Group Profit after tax ("PAT") or Loss after Tax ("LAT") (excluding non-controlling interest)				
	Revenue	(LAT)/PAT including non- recurring and exceptional charges	Non- recurring gain/(loss)	(LAT)/PAT excluding non- recurring and exceptional charges
	S\$'mil	S\$'mil	S\$'mil	S\$'mil
2QFY2014	15.86	(0.65)	0.55	(1.20)
2QFY2013	54.46	(1.53)	(0.23)	(1.30)
(Decrease)/Increase	(38.60)	0.88	0.78	0.10
1 st Half FY2014	44.00	4.28	6.33	(2.05)
1 st half FY2013	108.84	(2.20)	(0.36)	(1.84)
(Decrease)/Increase	(64.84)	6.48	6.69	(0.21)

Group loss after tax (excluding non-controlling interests) for 2QFY2014 was S\$0.65m (2QFY2013: Loss S\$1.53) and 1st Half FY2014 profit after tax of S\$4.28m (1st Half FY2013: Loss S\$2.20m). The higher profit after tax for 1st Half FY2014 was mainly due to the gain of S\$5.13m derived from the sale of property located at No.7 Second Chin Bee Road, Singapore 618774 which was completed in October 2013.

Statement of Financial Position

Net asset value ("NAV") of the Group grew by S\$2.17m to S\$49.83m as at 28 February 2014 from \$47.66m as at 31 August 2013. The increase in NAV was mainly a result of a profit of S\$4.28m for the period ended 28 February 2014, after offsetting the increase in exchange translation reserve (debit) balance of S\$0.46m. The increase in the exchange translation reserve (debit) balance was attributable largely to a weaker USD and THB against the SGD.

Cash balance (cash and bank balances and fixed deposits, net of bank overdrafts) as at 28 February 2014 was S\$10.73m as compared with S\$14.40m as at 31 August 2013 (part of which was included in the assets of a disposal group held for sale as of 31 August 2013; 28 February 2014: S\$Nil). Borrowings (bank loans, other loans and finance leases) as at 28 February 2014 stood at S\$3.01m, as compared with the borrowings of S\$8.78m (part of which was included in the liability of a disposal group held for sale) as at 31 August 2013. Net cash balance (cash net of borrowings) as at 28 February 2014 and 31 August 2013 were S\$7.72m and S\$5.62m respectively.

The asset held for sale balance of S\$1.95m comprises a leasehold property of a subsidiary in Malaysia, which is in the process of being sold.

The assets and liabilities of Giken Sakata (S) Limited ("Giken") and its subsidiaries were respectively presented as assets of a disposal group classified as held for sale and liabilities of a disposal group classified as held for sale in relation to the dilution of the Company's shareholding interest in Giken as set out in the Circular dated 1 October 2013 and which was completed on 22 October 2013. As announced on 11

March 2014, the Company has disposed its entire shareholding in Giken. The balances of assets and liabilities as at 31 August 2013 were S\$24.19m and S\$17.50m respectively.

Consolidated Statement of Cash Flows

Cash and cash equivalents (cash and bank balances and fixed deposits, net of bank overdrafts and restricted cash) decreased by S\$3.33m during the 3 months ended 28 February 2014. Out of the net decrease, S\$2.23m of cash was used in operating activities, S\$0.57m of cash was used in financing activities to reduce bank borrowings while S\$0.58m of cash was used in investing activities.

The net cash generated from investing activities for the 6 months included proceeds of S\$7.20m from disposal of asset held for sale, offset by a reduction of net cash of S\$3.50m arising from the disposal of Giken. The Group repaid S\$3.30m to reduce the bank borrowings.

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

The 2QFY2014 financial results are in line with the comments made under paragraph 10 of 1QFY2014. As explained in the previous quarter, for 2QFY2014 Giken is excluded from its consolidation.

10. A commentary at the date of the announcement of the significant trends 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 general business environment remains fluid and any significant risks could undermine this recovery. We expect demand will continue to be soft in the next quarter. Moving on, we strive to enhance the competitiveness and to leverage on new opportunities and manage any challenges that may come our way.

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/recommended, a statement to that effect.

No dividend has been declared/recommended by the Board.

13. Interested Person Transactions

Name of interested person	Aggregate Value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate Value of all interested person transactions conducted during the financial year under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Total	Nil	Nil

Note: There were interested person transactions occurring during the period under the shareholders' mandate but the individual transactions were less than S\$100,000.

14. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

We, Sin Kwong Wah, Andrew and Masayoshi Taira, being two directors of Miyoshi Precision Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company, which may render the financial statements for the second quarter ended 28 February 2014 to be false or misleading.

On Behalf of the Board of Directors,

Sin Kwong Wah, Andrew
CEO

Masayoshi Taira
Director

BY ORDER OF THE BOARD

SIN KWONG WAH, ANDREW
CEO
14 April 2014