



Tai Sin[®]

The Electric Solutions Specialist For Asia Since 1958

THIRD QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2016

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

1(a)(i) A statement of profit or loss and other comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	9 months ended 31.03.16 \$'000	9 months ended 31.03.15 \$'000
Revenue	232,231	217,550
Cost of sales	(187,694)	(176,310)
Gross profit	44,537	41,240
Other operating income	1,698	1,134
Selling and distribution expenses	(13,019)	(12,500)
Administrative expenses	(13,201)	(12,474)
Other operating expenses	(1,474)	(621)
Finance costs	(540)	(523)
Share of (loss) profit of an associate	(204)	204
Profit before income tax	17,797	16,460
Income tax expense	(3,141)	(2,915)
Profit after income tax	14,656	13,545
Other comprehensive (loss) income :		
<u>Items that may be reclassified subsequently to profit or loss</u>		
Exchange difference on translation of foreign operations	(521)	335
Changes in share of other comprehensive income (loss) of an associate	7	(30)
Other comprehensive (loss) income for the period, net of tax	(514)	305
Total comprehensive income for the period	14,142	13,850
Profit attributable to:		
Shareholders of the company	14,046	13,091
Non-controlling interests	610	454
	14,656	13,545
Total comprehensive income attributable to :		
Shareholders of the company	13,547	13,386
Non-controlling interests	595	464
	14,142	13,850

1(a)(ii) Notes to the statement of profit or loss (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	9 months ended 31.03.16 \$'000	9 months ended 31.03.15 \$'000
Interest income	11	11
Bad debts recovery (written off)	116	(69)
(Allowance for) Write back of doubtful receivables	(599)	19
Fair value (loss) gain on derivative financial instruments	(399)	11
Foreign exchange loss	(341)	(330)
Adjustment for over (under) provision of income tax in respect of prior years	23	(3)
Loss on disposal of assets held for sale	-	(210)
Gain on disposal of property, plant and equipment	42	3
Property, plant and equipment written off	(84)	(12)
Depreciation of property, plant and equipment	(3,118)	(2,848)
Amortisation of intangible assets	(218)	(207)

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.

	GROUP		COMPANY	
	As at 31.03.16 \$'000	As at 30.06.15 \$'000	As at 31.03.16 \$'000	As at 30.06.15 \$'000
ASSETS				
Current assets:				
Cash and bank balances	24,311	23,491	9,981	12,198
Trade receivables	96,608	81,793	57,740	43,038
Other receivables	3,757	5,393	3,118	5,772
Derivative financial instruments	-	4	-	-
Inventories	54,074	57,947	31,597	35,254
Total current assets	178,750	168,628	102,436	96,262
Non-current assets:				
Other receivables	246	302	5,492	6,303
Subsidiary corporations	-	-	33,814	33,814
Associate	5,019	5,230	-	-
Property, plant and equipment	34,464	29,770	6,527	4,599
Investment properties	21	1,091	-	-
Leasehold prepayments	142	157	-	-
Intangible assets	1,164	1,382	-	-
Deferred tax assets	130	130	-	-
Total non-current assets	41,186	38,062	45,833	44,716
Total assets	219,936	206,690	148,269	140,978
LIABILITIES AND EQUITY				
Current liabilities:				
Bank overdrafts and short-term bank borrowings	28,831	16,143	9,721	-
Trade payables	22,726	25,557	12,089	13,552
Other payables	6,814	8,317	2,295	2,286
Derivative financial instruments	396	-	347	-
Current portion of finance leases	237	216	-	-
Income tax payable	2,982	2,815	1,470	1,961
Total current liabilities	61,986	53,048	25,922	17,799
Non-current liabilities:				
Other payables	32	48	-	-
Non-current portion of finance leases	134	92	-	-
Deferred tax liabilities	1,480	1,541	304	304
Total non-current liabilities	1,646	1,681	304	304

	GROUP		COMPANY	
	As at 31.03.16 \$'000	As at 30.06.15 \$'000	As at 31.03.16 \$'000	As at 30.06.15 \$'000
Capital, reserves and non-controlling interests:				
Share capital	56,288	56,288	56,288	56,288
Treasury shares	(950)	(950)	(950)	(950)
Reserves	96,615	92,867	66,705	67,537
Equity attributable to the shareholders of the Company	151,953	148,205	122,043	122,875
Non-controlling interests	4,351	3,756	-	-
Total equity	156,304	151,961	122,043	122,875
Total liabilities and equity	219,936	206,690	148,269	140,978

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

Amount repayable in one year or less, or on demand

As at 31/03/2016		As at 30/06/2015	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
19,347	9,721	16,359	-

Amount repayable after one year

As at 31/03/2016		As at 30/06/2015	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
134	-	92	-

Details of any collateral

The bank overdrafts and other bank borrowings of the Group are secured by the following:

- i. negative pledge over all assets of a subsidiary; and
- ii. corporate guarantee by a subsidiary and the company.

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.

Group	9 months ended 31.03.16 \$'000	9 months ended 31.03.15 \$'000
Operating activities		
Profit before income tax	17,797	16,460
Adjustments for:		
Depreciation expense	3,118	2,848
Amortisation expense	218	207
Interest income	(11)	(11)
Interest expense	540	523
Fair value adjustment on derivative financial instruments taken to profit or loss	399	(11)
Bad debts (recovery) written off	(116)	69
Allowance for (Write back of) doubtful receivables	599	(19)
Gain on disposal of property, plant and equipment	(42)	(3)
Property, plant and equipment written off	84	12
Loss on disposal of assets held for sale	-	210
Share of loss (profit) of an associate	204	(204)
Operating cash flows before movement in working capital	22,790	20,081
Trade receivables	(15,711)	10,272
Other receivables	1,665	126
Inventories	3,630	5,158
Trade payables	(2,801)	(3,382)
Other payables	(1,482)	(3,319)
Cash generated from operations	8,091	28,936
Income tax paid	(3,037)	(3,298)
Net cash from operating activities	5,054	25,638
Investing activities		
Buyback of shares from non-controlling interests by a subsidiary corporation	-	(3,000)
Purchase of property, plant and equipment	(6,781)	(10,295)
Proceeds from disposal of property, plant and equipment	91	53
Proceeds from disposal of assets held for sale	-	40
Interest received	11	11
Net cash used in investing activities	(6,679)	(13,191)
Financing activities		
Proceeds from short-term bank borrowings	53,749	59,386
Repayment of short-term bank borrowings	(40,763)	(62,418)
Repayment of finance lease obligations	(242)	(299)
Interest paid	(540)	(523)
Dividend paid	(9,799)	(6,533)
Dividend paid to non-controlling interests	-	(300)
Net cash from (used in) financing activities	2,405	(10,687)
Net increase in cash and cash equivalents	780	1,760
Cash and cash equivalents at beginning of period	23,491	22,232
Effect of exchange rate changes on the balance of cash held in foreign currencies	40	178
Cash and cash equivalents at end of period (Note a)	24,311	24,170

Notes :

a) The cash and cash equivalents consist of the followings:

	9 months ended 31.03.16 \$'000	9 months ended 31.03.15 \$'000
Cash and bank balances	24,311	24,180
Bank overdrafts	-	(10)
	24,311	24,170

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.

Group	Share capital \$'000	Treasury shares \$'000	Foreign currency translation reserve \$'000	Other reserve \$'000	Accumulated profits \$'000	Equity attributable to shareholders of the company \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 July 2015	56,288	(950)	(1,781)	(728)	95,376	148,205	3,756	151,961
Total comprehensive income for the period								
Profit for the period	-	-	-	-	14,046	14,046	610	14,656
Other comprehensive loss for the period	-	-	(499)	-	-	(499)	(15)	(514)
Total	-	-	(499)	-	14,046	13,547	595	14,142
Transactions with owners, recognized directly in equity								
Final dividend for the previous year paid	-	-	-	-	(6,533)	(6,533)	-	(6,533)
Interim dividend for the year paid	-	-	-	-	(3,266)	(3,266)	-	(3,266)
	-	-	-	-	(9,799)	(9,799)	-	(9,799)
Balance at 31 March 2016	56,288	(950)	(2,280)	(728)	99,623	151,953	4,351	156,304

Group	Share capital \$'000	Treasury shares \$'000	Foreign currency translation reserve \$'000	Other reserve \$'000	Accumulated profits \$'000	Equity attributable to shareholders of the company \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 July 2014	56,288	(950)	(1,264)	(381)	88,098	141,791	6,182	147,973
Total comprehensive income for the period								
Profit for the period	-	-	-	-	13,091	13,091	454	13,545
Other comprehensive income for the period	-	-	295	-	-	295	10	305
Total	-	-	295	-	13,091	13,386	464	13,850
Transactions with owners, recognized directly in equity								
Buyback of shares from non-controlling interests by a subsidiary corporation ^(a)	-	-	(7)	(347)	-	(354)	(2,646)	(3,000)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(300)	(300)
Final dividend for the previous year paid	-	-	-	-	(6,533)	(6,533)	-	(6,533)
Total	-	-	(7)	(347)	(6,533)	(6,887)	(2,946)	(9,833)
Balance at 31 March 2015	56,288	(950)	(976)	(728)	94,656	148,290	3,700	151,990

- (a) On 1 October 2014, a subsidiary corporation of the group completed the purchase of its own ordinary shares from its shareholders. The share buyback resulted in an increase in the group's equity interest in the subsidiary corporation from 65% to 79.1%. The difference between the amount by which the non-controlling interests were adjusted and the fair value of the consideration paid was recognized directly in equity.

Company	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Total equity \$'000
Balance at 1 July 2015	56,288	(950)	67,537	122,875
Profit for the year, representing total comprehensive income for the period	-	-	8,967	8,967
Transactions with owners, recognized directly in equity				
Final dividend for the previous year paid	-	-	(6,533)	(6,533)
Interim dividend for the year paid	-	-	(3,266)	(3,266)
Total	-	-	(9,799)	(9,799)
Balance at 31 March 2016	56,288	(950)	66,705	122,043

Company	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Total equity \$'000
Balance at 1 July 2014	56,288	(950)	62,412	117,750
Profit for the year, representing total comprehensive income for the period	-	-	11,670	11,670
Transactions with owners, recognized directly in equity				
Final dividend for the previous year paid	-	-	(6,533)	(6,533)
Balance at 31 March 2015	56,288	(950)	67,549	122,887

- 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.**

There were no changes in the Company's share capital during the 3 months ended 31 March 2016.

The total number of issued ordinary shares excluding treasury shares as at 31 March 2016 was 435,515,791 (31 March 2015: 435,515,791).

The number of ordinary shares held as treasury shares as at 31 March 2016 was 2,727,000 (31 March 2015: 2,727,000).

As at 31 March 2016, there were no shares that may be issued on conversion of any outstanding convertibles or shares options (31 March 2015: Nil).

- 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.**

The total number of issued ordinary shares excluding treasury shares as at 31 March 2016 was 435,515,791 (30 June 2015: 435,515,791).

- 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.**

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during 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.

- 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 and the Company have adopted the same accounting policies and methods of computation in the financial statements for the current reporting year compared with the audited financial statements as at 30 June 2015.

The adoption of new/revised FRS and INT FRS have no material financial impact on the financial statements.

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.**

There are no changes in the accounting policies adopted by the Group and the company, other than as disclosed in item 4.

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.**

	9 months ended 31.03.16	9 months ended 31.03.15
Earnings per ordinary share for the period after deducting any provision for preference dividends:-		
(i) Based on the weighted average number of ordinary shares in issue; and	3.23 cents	3.01 cents
(ii) On a fully diluted basis	3.23 cents	3.01 cents

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 31.03.16	As at 30.06.15	As at 31.03.16	As at 30.06.15
Net asset backing per ordinary share based on existing issued share capital as at the end of the period reported on	34.89 cents	34.03 cents	28.02 cents	28.21 cents

Net asset value per share is calculated based on the existing number of shares in issue of 435,515,791 (30 June 2015: 435,515,791 shares).

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 profit or loss

The Group's achieved revenue of \$232.23 million for the 9 months ended 31 March 2016, an increase of 6.75% when compared to \$217.55 million from the last corresponding period. The increase in revenue was largely derived from the Cable & Wire ("C&W") Segment which reported an increase of \$17.67 million. This was mainly attributable to higher delivery to the Industrial, Commercial and Residential Sectors in Singapore, Malaysia and Vietnam. In addition, higher export to Myanmar also contributed to the increase in the revenue for this segment.

The increase in revenue in the C&W Segment was negated by decline in revenue from:

- a) the Switchboard Segment which decreased by \$1.22 million. This was mainly due to a lack of new projects launched by the government and completion of existing projects;
- b) the Electrical Material Distribution ("EMD") Segment which decreased by \$1.13 million. The slowdown in the Industrial Sector in Singapore affected the results of this segment; and

- c) the Test & Inspection (“T&I”) Segment which decreased by \$0.63 million. This was because revenue from Singapore operations was down due to lower contribution from projects in the Oil and Gas Cluster and also intense competition which led to downward pressure on pricing.

Other operating income increased by \$0.56 million, largely due to bad debts recovered, insurance premium refunded, higher scrap sales and higher government grants received during the period.

Selling and distribution expenses increased by \$0.52 million, moving in tandem with higher business activities during the period, especially higher costs incurred on packing materials, transportation and advertisement.

Administrative expenses increased by \$0.73 million, mainly due to higher accrual of director variable remuneration and staff cost incurred and higher depreciation on renovation, furniture and fittings as a result of additional renovation works carried out during the period.

Other operating expenses increased by \$0.85 million, principally attributable to higher allowance for doubtful receivables provided for long overdue debts and higher fair value loss on derivative financial instruments.

The Group reported profit before income tax of \$17.80 million for the 9 months ended 31 March 2016, an increase of \$1.34 million as compared to the last corresponding period. The increase was attributable to the T&I Segment, which increased by \$1.43 million and the C&W segment which increased by \$1.13 million. Nevertheless, the higher profit before income tax was offset against lower profit from the EMD Segment which declined by \$1.06 million and the Switchboard Segment which decreased by \$0.12 million.

Statement of financial position

Cash and bank balances increased by \$0.82 million, due to higher collection from customers towards period end.

Trade receivables increased by \$14.82 million, because of higher sales for the quarter ended 31 March 2016 as compared to quarter ended 30 June 2015 coupled with slow payment from customers during the quarter.

Other receivables decreased by \$1.64 million, primarily attributable to capitalisation of downpayment for purchase of plant and equipment.

Inventories decreased by \$3.87 million. This was mainly the result of higher sales in the C&W Segment and lower purchases from the EMD Segment.

Property, plant and equipment increased by \$4.69 million, as a result of acquisition of property, plant and equipment amounting to \$7.09 million and reclassification of a freehold property from investment property amounting to \$1.06 million. The increase was offset by depreciation charges of \$3.12 million.

Investment properties decreased by \$1.07 million, mainly attributable to reclassification of a property located at Hillview Avenue to property, plant and equipment as a subsidiary now occupied the property for use as an office.

Bank overdrafts and other bank borrowings increased by \$12.69 million primarily because of drawdown of funds to finance purchase of copper during the period.

Trade payables decreased by \$2.83 million to \$22.73 million, principally due to prompt payment to the suppliers in the C&W Segment as well as lower purchases in the EMD Segment.

Other payables decreased by \$1.50 million mainly because of accrued bonuses which has been paid out during the period.

Statement of cash flows

The cash and cash equivalent at the end of the period increased to \$24.31 million compared with \$23.49 million at the end of the preceding period.

The net cash from operating activities of \$5.05 million was mostly due to higher sales, lower purchases, bonus payout and income tax paid during the period.

The net cash used in investing activities of \$6.68 million was mainly used for purchase of property, plant and equipment, net of proceeds from disposal of plant and equipment and interest received.

The net cash from financing activities of \$2.41 million was largely attributable to proceeds from bank borrowings, net of repayment of bank borrowings, finance leases and interest paid.

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

No forecast or a prospect statement has been previously disclosed to shareholders.

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 Group looks forward to the implementation of the infrastructure projects which have been announced, in Singapore as well as in the countries where we have a presence. At the same time, the C&W segment in Vietnam will actively network with local wholesalers and distributors to sell its products. The Group remains focused on business expansion in the industrial sector as well as commercial and residential sector within the ASEAN region.

The Group will also continue to explore new regions other than the Riau Islands for the T&I Segment.

In light of the drop in activities in the Oil and Gas Cluster, the Group will strive to maintain and grow businesses with our existing customers to retain our market share.

Generally, the Group's profitability will depend very much on better market conditions in the region.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared (recommended) for the current financial period reported on? **No**

Name of Dividend	Not applicable
Dividend Type	
Dividend Amount per Share (in cents)	
Tax Rate	

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared (recommended) for the corresponding period of the immediately preceding financial year? **No**

Name of Dividend	Not applicable
Dividend Type	
Dividend Amount per Share (in cents)	
Tax Rate	

(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 for the third quarter ended 31 March 2016.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“IPTs”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained from shareholders.

14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).

See last page.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company has procured undertakings from all its directors and executive officer(s) required under Rule 720(1) of the Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable.

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable.

18. A breakdown of sales.

Not applicable.

- 19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

- 20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Not applicable.

BY ORDER OF THE BOARD

Tan Shou Chieh
Secretary

Singapore, 13 May 2016



Tai Sin[®]

The Electric Solutions Specialist For Asia Since 1958

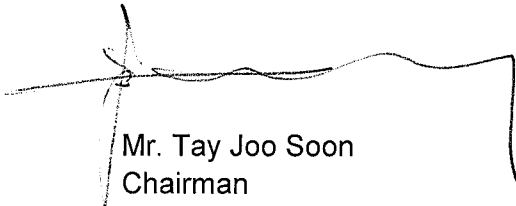


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**CONFIRMATION BY THE BOARD OF DIRECTORS
PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

We, the undersigned, being two Directors of Tai Sin Electric 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 interim financial statements for the third quarter ended 31 March 2016 to be false or misleading in any material aspect.

On behalf of the Board of Directors,



Mr. Tay Joo Soon
Chairman



Mr. Lim Boon Hock Bernard
Chief Executive Officer

Singapore, 13 May 2016

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