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**STAMFORD TYRES REPORTS \$2.6 MILLION NET PROFIT FOR FY2016**

- *Net profit increased by 52 per cent*
- *Gross profit margin increased from 22.1 per cent to 24.7 per cent*
- *Proposes dividend of 1.0 cent per share*

**SINGAPORE, 27 June 2016** – Mainboard-listed Stamford Tyres Corporation Limited (“Stamford Tyres”)(STC:SP) today announced that its net profit increased by 52 per cent to \$2.6 million for FY2016 compared to \$1.7 million for FY2015.

Gross profit margin increased from 22.1 per cent in FY2015 to 24.7 per cent in FY2016, mainly attributable to lower cost of sales and contribution from value-added activities at its Stamford Tyres Mart retail chain and truck tyre centres.

The Group recorded revenue of \$239.9 million which was 18 per cent lower than FY2015 at \$292.5 million.

Total operating expenses decreased by 6.1 per cent to \$58.2 million in FY2016 compared to \$62.0 million in FY2015. The decrease was attributed to lower marketing and distribution costs, salaries and foreign exchange costs; offset by higher finance costs and allowance for doubtful debts.

The cash and cash equivalents of the Group stood at \$17.4 million as at 30 April 2016 compared to \$15.9 million as at last year.

On a diluted basis, the Group’s earnings per ordinary share increased from 0.72 cents for FY2015 to 1.10 cents for FY2016. As at 30 April 2016, the Group’s net asset value per ordinary share stood at 49.88 cents, compared to 51.38 cents as at 30 April 2015.

The Directors have recommended a first and final dividend of 1.0 cent per ordinary share for 235,586,244 shares, which, if approved at the upcoming Annual General Meeting, will be paid to shareholders on a date to be announced later.

Commenting on the full-year financial performance, Mr Wee Kok Wah, President of Stamford Tyres Corporation Limited, said: “Despite the challenging global economic environment, the Group managed to remain profitable through a series of value-added activities. We will continue to focus on improving our sales productivity as well as value-added segments such as Stamford Tyres Mart retail chain and truck centres”.

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### **About Stamford Tyres Corporation Limited (STC:SP)**

Stamford Tyres is one of the largest independent tyre and wheel distributors in Southeast Asia with distribution centres in Singapore, Malaysia, Thailand, Indonesia, Hong Kong, China, India, Australia and South Africa. It provides many value added services such as regional retail operations, on-site management services to fleet owners and mining operators. The Group has also set up a state-of-the-art plant in Thailand to manufacture alloy wheels.

Stamford Tyres was established in the 1930s and was listed on the Second Board of Singapore Stock Exchange (then known as SGX-Sesdaq) in 1991, and was upgraded to the Main Board of the Singapore Exchange Securities Trading Limited (SGX-ST) in April 2003. Today, Stamford Tyres has a sales and operations network in more than 90 countries around the world. The Group continues to focus on its core business of tyre distribution of its major brands – Falken, Dunlop, Continental and Maxam. It has also strengthened its development capabilities and introduced innovative products to grow its proprietary brands in international markets – Sumo Firenza, Sumo Tire and SSW Wheels.

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