Registration Number: 199105392H

Unaudited First Quarter Financial Statements Announcement
For The Quarter Ended 30 June 2016

PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) 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.

	Group (First Quarter)		
	3 months ended		
	30 June 2016	30 June 2015	% Change
	S$'000	S$'000	
Revenue	116,732	139,271	(16)
Cost of sales	(81,813)	(94,674)	(14)
Gross profit	34,919	44,597	(22)
Other operating income including interest income	4,760	14,078	(66)
Distribution expenses	(7,059)	(8,290)	(15)
Administrative expenses	(26,186)	(34,059)	(23)
Other operating expenses	(5,056)	(4,860)	4
Finance expense	(5,437)	(5,963)	(9)
Share of results of associates (net of tax)	413	240	72
Share of results of joint ventures (net of tax)	(141)	(123)	15
(Loss)/profit before income tax	(3,787)	5,620	NM
Income tax credit/(expense)	1,036	(2,556)	NM
(Loss)/profit for the period	(2,751)	3,064	NM
Attributable to:			
Owners of the Company	(3,578)	2,789	NM
Non-controlling interests	827	275	201
(Loss)/profit for the period	(2,751)	3,064	NM

NM: Not meaningful

1(a)(ii) Statement Of Comprehensive Income

	Group (First Quarter)		
	3 months ended		
	30 June 2016	30 June 2015	% Change
	S$'000	S$'000	
(Loss)/profit for the period	(2,751)	3,064	NM
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Net loss on translation of net investment in foreign entities	(12,833)	(11,593)	11
Effective portion of changes in fair value of cash flow hedges	(209)	(180)	16
Net change in fair value of available-for-sale financial assets	114	-	NM
Other comprehensive loss for the period, net of income tax	(12,928)	(11,773)	10
Total comprehensive loss for the period	(15,679)	(8,709)	80
Attributable to:			
Owners of the company	(14,437)	(8,167)	77
Non-controlling interests	(1,242)	(542)	129
Total comprehensive loss for the period	(15,679)	(8,709)	80

NM: Not meaningful

1(a)(iii) Notes to income statement

	Group (First Quarter)		
	3 months ended		
	30 June 2016	30 June 2015	% Change
	S$'000	S$'000	
Depreciation of property, plant and equipment	(18,680)	(20,590)	(9)
Gain on disposal of property, plant and equipment	1,771	10,127	(83)
Property, plant and equipment written off	-	(2)	NM
Amortisation of intangible assets	(246)	(77)	219
Allowance recognised for inventories	(13)	(669)	(98)
Allowance write back/(recognised) for trade receivables	2	(478)	NM
Bad debts written off	(171)	-	NM
Foreign exchange loss, net, included in "other operating expenses"	(6,782)	(4,097)	66
Gain/(loss) on fair value adjustment on derivatives, net, included in "other operating expenses"	1,595	(385)	NM
Interest income	249	220	13
Share-based payment expenses	(25)	(66)	(62)
Loss on disposal of a subsidiary	(148)	-	NM
Gain on liquidation of a subsidiary	164	-	NM
Over/(under) provision of income tax expense	180	(504)	NM
Cost of long service and annual leave	(339)	(1,038)	(67)

NM: Not meaningful

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	
	30 June 2016 S$'000	31 March 2016 S$'000	30 June 2016 S$'000	31 March 2016 S$'000
Non-current assets				
Property, plant and equipment	763,302	802,445	1,276	1,349
Subsidiaries	-	-	368,841	368,980
Associates	43,928	44,075	12,370	12,647
Joint ventures	3,700	3,882	4,715	4,439
Other financial assets	1,472	1,128	1,388	1,044
Deferred tax assets	8,578	8,830	-	-
Intangible assets	5,689	4,491	-	-
Trade and other receivables	601	797	-	-
	827,270	865,648	388,590	388,459
Current assets				
Assets held for sale	3,500	5,660	-	-
Inventories	142,687	146,981	-	-
Trade and other receivables	227,460	222,099	227,164	229,581
Tax recoverable	4,995	-	-	-
Cash and cash equivalents	82,974	130,702	5,453	5,007
	461,616	505,442	232,617	234,588
Total assets	1,288,886	1,371,090	621,207	623,047
Equity attributable to owners of the Company				
Share capital	325,849	325,849	325,849	325,849
Reserve for own shares	(2,622)	(2,673)	(2,622)	(2,673)
Share-based payment reserve	451	517	451	517
Capital reserves	29,461	29,564	(1,926)	(1,938)
Fair value reserve	79	174	(75)	134
Currency translation reserve	(54,059)	(43,410)	-	-
Accumulated profits	272,130	275,680	43,016	46,112
	571,289	585,701	364,693	368,001
Non-controlling interests	42,740	43,982	-	-
Total equity	614,029	629,683	364,693	368,001
Non-current liabilities				
Trade and other payables	2,257	2,340	-	-
Financial liabilities	187,801	202,048	66,658	72,010
Notes payable	98,089	98,041	98,089	98,041
Deferred tax liabilities	22,192	22,994	-	-
	310,339	325,423	164,747	170,051
Current liabilities				
Trade and other payables	144,800	168,298	72,059	65,287
Financial liabilities	215,037	245,061	19,688	19,688
Current tax payable	4,681	2,625	20	20
	364,518	415,984	91,767	84,995
Total liabilities	674,857	741,407	256,514	255,046
Total equity and liabilities	1,288,886	1,371,090	621,207	623,047

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

Amount repayable in one year or less, or on demand

As at 30 June 2016		As at 31 March 2016	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
71,143	143,894	82,695	162,366

Amount repayable after one year

As at 30 June 2016		As at 31 March 2016	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
116,819	70,982	125,179	76,869

Details of any collateral

Included in the Group's secured borrowings are borrowings of:-

(i) S$9,455,000 (31 March 2016: S$10,565,000) secured by a charge over four barges and a work boat of a subsidiary with a carrying value of S$25,842,000 (31 March 2016: S$26,496,000);

(ii) S$90,787,000 (31 March 2016: S$110,383,000) in respect of property, plant and equipment acquired under finance leases with a carrying value of S$154,080,000 (31 March 2016: S$182,658,000);

(iii) S$77,443,000 (31 March 2016: S$75,533,000) secured by equipment of subsidiaries with a carrying value of S$149,653,000 (31 March 2016: S$153,369,000);

(iv) S$7,119,000 (31 March 2016: S$8,089,000) secured by a charge over leasehold land and building of subsidiaries with a carrying value of S$21,439,000 (31 March 2016: S$21,485,000); and

(v) S$3,158,000 (31 March 2016: S$3,304,000) secured by a charge over freehold land and building of a subsidiary with a carrying value of S$4,933,000 (31 March 2016: S$4,984,000).

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	
	3 months ended	
	30 June 2016	30 June 2015
	S$'000	S$'000
Operating activities:		
(Loss)/profit for the period	(2,751)	3,064
Adjustments for:		
Depreciation of property, plant and equipment	18,680	20,590
Gain on disposal of property, plant and equipment	(1,771)	(10,127)
(Gain)/loss on fair value adjustment on derivatives, net	(1,595)	385
Property, plant and equipment written off	-	2
Amortisation of intangible assets	246	77
Cost of long service and annual leave	339	1,038
Loss on disposal of a subsidiary	148	-
Gain on liquidation of a subsidiary	(164)	-
Share of results of associates	(413)	(240)
Share of results of joint ventures	141	123
Provisions (reversed)/made	(21)	56
Share-based payment expenses	25	66
Finance income	(249)	(220)
Finance expense	5,437	5,963
Income tax (credit)/expense	(1,036)	2,556
Operating profit before working capital changes	17,016	23,333
Changes in working capital:		
Inventories	9,984	6,885
Trade and other receivables	2,154	(24,238)
Trade and other payables	(18,982)	(4,879)
Cash generated from operations	10,172	1,101
Income taxes paid	(2,207)	(1,943)
Payment for long service and annual leave and others	(1,727)	(1,819)
Net cash from/(used in) operating activities	6,238	(2,661)
Investing activities:		
Purchase of property, plant and equipment	(7,951)	(12,450)
Purchase of intangible assets	(454)	(226)
Proceeds from disposal of property, plant and equipment	4,627	26,744
Proceeds from disposal of a subsidiary	10	-
Distribution from liquidation of a subsidiary	164	-
Investment in other financial assets	(167)	-
Interest received	249	220
Net cash (used in)/from investing activities	(3,522)	14,288

	Group	
	3 months ended	
	30 June 2016	30 June 2015
	S$'000	S$'000
Financing activities:		
Net (repayment of)/proceeds from trust receipts	(3,336)	4,777
Proceeds from bank loans	39,558	41,659
Repayment of bank loans	(62,274)	(31,262)
Proceeds from finance lease obligations	310	1,003
Repayment of finance lease obligations	(18,031)	(16,398)
Change in bank balances earmarked for certain banking facilities	(18)	(71)
Interest paid	(5,567)	(5,870)
Net cash used in financing activities	(49,358)	(6,162)
Net (decrease)/increase in cash and cash equivalents during the period	(46,642)	5,465
Cash and cash equivalents at beginning of the period	130,072	92,237
Effect of exchange rate fluctuations on cash held	(1,104)	(1,088)
Cash and cash equivalents at end of the period	82,326	96,614

	Group	
	30 June 2016	30 June 2015
	S$'000	S$'000
Cash and cash equivalents		
Cash, bank balances and fixed deposits with banks	82,974	97,714
Bank balances earmarked for certain banking facilities	(648)	(1,100)
Cash and cash equivalents at end of the period	82,326	96,614

Notes:

During the 3 months ended 30 June 2016, the Group acquired property, plant and equipment with an aggregate cost of S$9,045,000 (30 June 2015: S$22,115,000) of which S$1,094,000 (30 June 2015: S$9,449,000) was acquired by means of finance leases.

In addition, property, plant and equipment of S$719,000 (30 June 2015: S$9,257,000) was transferred from inventories during the 3 months ended 30 June 2016, of which S$310,000 (30 June 2015: S$1,003,000) was financed by means of finance leases.

Property, plant and equipment with carrying amount amounting to S$6,409,000 (30 June 2015: S$216,000) was transferred to inventories due to change in the use of assets.

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.

The Group

	Share capital S$'000	Reserve for own shares S$'000	Share-based payment reserve S$'000	Capital reserves S$'000	Fair value reserve S$'000	Currency translation reserve S$'000	Accumulated profits S$'000	Total attributable to owners of the Company S$'000	Non-controlling interests S$'000	Total equity S$'000
At 1 April 2015	**325,849**	**(1,766)**	**779**	**26,258**	**273**	**(22,234)**	**321,670**	**650,829**	**50,571**	**701,400**
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	2,789	2,789	275	3,064
Other comprehensive income										
Net loss on translation of net investment in foreign entities	-	-	-	(80)	-	(10,696)	-	(10,776)	(817)	(11,593)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	(180)	-	-	(180)	-	(180)
Total other comprehensive income	-	-	-	(80)	(180)	(10,696)	-	(10,956)	(817)	(11,773)
Total comprehensive income for the period	-	-	-	(80)	(180)	(10,696)	2,789	(8,167)	(542)	(8,709)
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Value of employee services received for issue of performance shares	-	-	66	-	-	-	-	66	-	66
Performance shares awarded using treasury shares	-	151	(164)	13	-	-	-	-	-	-
Cancellation of share options	-	-	(132)	-	-	-	132	-	-	-
Total contributions by and distributions to owners of the Company	-	151	(230)	13	-	-	132	66	-	66
At 30 June 2015	**325,849**	**(1,615)**	**549**	**26,191**	**93**	**(32,930)**	**324,591**	**642,728**	**50,029**	**692,757**

The Group

	Share capital S$'000	Reserve for own shares S$'000	Share-based payment reserve S$'000	Capital reserves S$'000	Fair value reserve S$'000	Currency translation reserve S$'000	Accumulated profits S$'000	Total attributable to owners of the Company S$'000	Non-controlling interests S$'000	Total equity S$'000
At 1 April 2016	**325,849**	**(2,673)**	**517**	**29,564**	**174**	**(43,410)**	**275,680**	**585,701**	**43,982**	**629,683**
Total comprehensive income for the period										
Loss for the period	-	-	-	-	-	-	(3,578)	(3,578)	827	(2,751)
Other comprehensive income										
Net loss on translation of net investment in foreign entities	-	-	-	(115)	-	(10,649)	-	(10,764)	(2,069)	(12,833)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	(209)	-	-	(209)	-	(209)
Net change in fair value of available-for-sale financial assets	-	-	-	-	114	-	-	114	-	114
Total other comprehensive income	-	-	-	(115)	(95)	(10,649)	-	(10,859)	(2,069)	(12,928)
Total comprehensive income for the period	-	-	-	(115)	(95)	(10,649)	(3,578)	(14,437)	(1,242)	(15,679)
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Cancellation of share options	-	-	(28)	-	-	-	28	-	-	-
Value of employee services received for issue of performance shares	-	-	25	-	-	-	-	25	-	25
Performance shares awarded using treasury shares	-	51	(63)	12	-	-	-	-	-	-
Total contributions by and distributions to owners of the Company	-	51	(66)	12	-	-	28	25	-	25
At 30 June 2016	**325,849**	**(2,622)**	**451**	**29,461**	**79**	**(54,059)**	**272,130**	**571,289**	**42,740**	**614,029**

The Company	Share capital S$'000	Reserve for own shares S$'000	Share based payment reserve S$'000	Capital reserves S$'000	Fair value reserves S$'000	Accumulated profits S$'000	Total equity S$'000
At 1 April 2015	**325,849**	**(1,766)**	**779**	**(1,951)**	**273**	**43,286**	**366,470**
Total comprehensive income for the period							
Loss for the Period	-	-	-	-	-	(3,463)	(3,463)
Other comprehensive income							
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	(180)	-	(180)
Total other comprehensive income	-	-	-	-	(180)	-	(180)
Total comprehensive income for the period	-	-	-	-	(180)	(3,463)	(3,643)
Contributions by and distributions to owners of the Company							
Value of employee services received for issue of performance shares	-	-	66	-	-	-	66
Performance shares awarded using treasury shares	-	151	(164)	13	-	-	-
Cancellation of share options	-	-	(132)	-	-	132	-
Total contributions by and distributions to owners of the Company	-	151	(230)	13	-	132	66
At 30 June 2015	**325,849**	**(1,615)**	**549**	**(1,938)**	**93**	**39,955**	**362,893**

The Company	Share capital S$'000	Reserve for own shares S$'000	Share based payment reserve S$'000	Capital reserves S$'000	Fair value reserve S$'000	Accumulated profits S$'000	Total equity S$'000
At 1 April 2016	**325,849**	**(2,673)**	**517**	**(1,938)**	**134**	**46,112**	**368,001**
Total comprehensive income for the period							
Loss for the period	-	-	-	-	-	(3,124)	(3,124)
Other comprehensive income							
Net changes in fair value of available-for-sale financial assets	-	-	-	-	(209)	-	(209)
Total other comprehensive income	-	-	-	-	(209)	-	(209)
Total comprehensive income for the period	-	-	-	-	(209)	(3,124)	(3,333)
Contributions by and distributions to owners of the Company							
Cancellation of share options	-	-	(28)	-	-	28	-
Value of employee services received for issue of performance shares	-	-	25	-	-	-	25
Performance shares awarded using treasury shares	-	51	(63)	12	-	-	-
Total contributions by and distributions to owners of the Company	-	51	(66)	12	-	28	25
At 30 June 2016	**325,849**	**(2,622)**	**451**	**(1,926)**	**(75)**	**43,016**	**364,693**

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 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.

During the 3 months ended 30 June 2016, 77,500 performance shares that were granted previously had vested on 30 April 2016. The market price of each performance share on the vesting date was S$0.60 per share. The performance shares were awarded from the treasury shares.

Other than the above, there were no changes in the Company's share capital since 31 March 2016.

There were 77,500 performance shares granted but not vested as at 30 June 2016 (30 June 2015: 155,000).

Share Option

No share options under the Tat Hong Employee Share Option Scheme 2006 were exercised during the 3 months ended 30 June 2016 (30 June 2015: nil).

As at 30 June 2016, there were 1,328,000 (30 June 2015: 1,609,000) outstanding share options exercisable at the price of S$1.08 per share.

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 June 2016, the Company's issued and paid up capital less treasury shares comprised 627,606,423 ordinary shares (31 March 2016: 627,528,923).

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.

	FY2017	FY2016
Balance as at 1 April	4,063,900	2,029,500
Performance shares awarded using treasury shares	(77,500)	(173,500)
Balance as at 30 June	3,986,400	1,856,000

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 the auditors.

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.

Except as disclosed in Paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the consolidated financial statements for the current reporting period as those applied in the audited financial statements for the year ended 31 March 2016.

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.

In the current financial period, the Group adopted the applicable new and revised Singapore Financial Reporting Standards ("FRSs") and related Interpretations ("INT FRSs") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2016. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's accounting policies and has no material effect on the financial statements.

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 (First Quarter)	
	3 months ended	3 months ended
	30 June 2016	30 June 2015
Net (loss)/profit attributable to owners of the Group (S$'000)	(3,578)	2,789
Weighted average ordinary shares ('000) for calculation of:		
- Basic earnings per share	627,581	629,679
- Diluted earnings per share	627,581	629,679
Earnings per ordinary share ("EPS") (SGD cents) of the Group:		
(a) Based on the weighted average number of ordinary shares on issue	(0.57)	0.44
(b) On a fully diluted basis	(0.57)	0.44

As at 30 June 2016, there were 1,328,000 (30 June 2015: 1,609,000) share options which were granted on 30 September 2009 available for conversion to ordinary shares. The share options are deemed to be anti-dilutive (30 June 2015: anti-dilutive) and are not included in the weighted average number of ordinary shares for the purpose of computing diluted earnings per share.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group		Company	
	30 June 2016	31 March 2016	30 June 2016	31 March 2016
Net asset value per ordinary share (S$)	0.91	0.93	0.58	0.59
Net tangible asset per ordinary share (S$)	0.90	0.93	0.58	0.59

Net asset value and net tangible asset per ordinary share as at 30 June 2016 and 31 March 2016 were computed based on 627,606,423 and 627,528,923 shares respectively.

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 cashflow, working capital, assets or liabilities of the group during the current financial period reported on.

Income statement

The Group's revenue in the quarter ended 30 June 2016 ("1QFY2017) declined 16% to S$116.7 million compared to S$139.3 million posted in the corresponding quarter ended 30 June 2016 ("1QFY2016").

A breakdown of the Group's revenue by business segments is set out below:

	Group		
Revenue	1QFY2017	1QFY2016	Change
	S$'000	S$'000	%
Crane Rental	37,608	49,012	(23)
Tower Crane Rental	24,479	23,257	5
General Equipment Rental	11,143	11,718	(5)
Distribution	43,502	55,284	(21)
Total	116,732	139,271	(16)

Crane Rental revenue fell by 23% to S$37.6 million, mainly due to intense competition with subdued activities in Australia and lower crane utilisation in Australia and Singapore.

Tower Crane Rental division posted a 5% increase in revenue to S$24.5 million in 1QFY2017, mainly attributable to higher utilisation rates. Excluding the impact of the weaker RMB, revenue would have increased 10% in 1QFY2017.

General Equipment Rental division declined 5% to S$11.1m mainly due to protracted weakness in the construction and resources sector.

Revenue generated by the Distribution division in 1QFY2017 decreased by 21% to S$43.5 million, mainly due to lower demand for cranes in Singapore, Hong Kong and overseas markets such as Middle East and Japan, partially offset by higher equipment and parts sales in Australia. 1QFY2016 revenue had included the sales of excavators in Indonesia, a business which the Group had exited.

The overall decrease in revenue led to a 22% reduction in the Group's gross profit to S$34.9 million. Gross profit margin fell from 32.0% to 29.9%, mainly attributable to lower utilisation rates across most markets except for markets in the People's Republic of China, Malaysia and Thailand and lower distribution activities in Asia.

The Group's other operating income decreased 66% or S$9.3 million to S$4.8 million in 1QFY2017, mainly attributable to lower gains on disposals. Other operating income in 1QFY2016 had included gains on disposal of properties in Malaysia and Australia of S$7.8 million.

The Group's total operating costs decreased by 19% to S$38.3 million as a result of cost containment measures relating to staff costs and operational expenses such as repair and maintenance costs, partially eroded by higher net foreign exchange losses. Net foreign exchange losses in 1QFY2017 arose primarily from weaker AUD, RMB and USD against SGD as well as stronger JPY against SGD and AUD.

Finance costs fell by S$0.6 million to S$5.4 million, primarily due to repayment of loans, partially offset by higher interest rates, compared with the same period a year earlier.

The Group recorded a pre-tax loss of S$3.8 million and a loss attributable to shareholders of S$3.6 million in 1QFY2017, primarily comprising net foreign exchange losses of S$5.2 million in 1QFY2017, of which S$4.2m was unrealised foreign exchange losses.

Balance Sheet Analysis (as at 30 June 2016 vs 31 March 2016)

- The decrease of S$39.1 million in the Group's net carrying amount of property, plant and equipment was mainly attributable to the disposal of property, plant and equipment, transfer of software development costs to intangible assets, depreciation charges, as well as the effect of weaker AUD and RMB against SGD, partially offset by the addition of property, plant and equipment.
- Intangible assets increased by S$1.2 million due to transfer of software development costs from Assets under construction, partially offset by amortisation charges.
- Equipment with a net book value of S$2.2 million previously reclassified as "Assets held for sale" was subsequently disposed for a cash consideration of approximately S$2.1 million.
- Inventories decreased by approximately S$4.3 million due to sale of inventory in Australia and prudent inventory management, partially offset by the net reclassification from property, plant and equipment to inventories of S$5.7 million due to the change in the usage of assets.
- Trade and other receivables decreased by approximately S$5.0 million due to collection and the timing of sales.
- Total financial liabilities decreased by S$44.3 million mainly due to net repayment and the effect of a weaker RMB against SGD.
- Net gearing as at 30 June 2016 was 0.73 times (31 March 2016: 0.71 times).

Cash flow

The net decrease of S$46.6 million in cash and cash equivalents during 1QFY2017 resulted mainly from net repayment of bank loans, finance lease obligations, interest, trust receipts, and purchase of property, plant and equipment, partially offset by proceeds from disposal of property, plant and equipment and net cash inflow from operating activities.

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

The macro environment was largely similar to that disclosed in Paragraph 10 of the Group's Financial Statements for the Fourth Quarter and Full Year ended 31 March 2016 which was released via the SGXNET on 27 May 2016.

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 market weakness and the impending completion of projects in the ASEAN countries and in Australia will continue to impact the Crane Rental Division. Efforts to reduce operating costs through fleet rationalisation and operational restructuring will continue.

The Tower Crane Rental Division in the People's Republic of China is expected to perform well on the back of a strong pipeline of committed projects in the building, infrastructure, transport and power generation sectors.

The General Equipment Rental Division is expected to turn in a weak performance due to the lack of public projects and increased competition from the oversupply of equipment in Australia.

Weak demand in the region and competitive market conditions will continue to affect the Distribution Division's performance.

The Group's performance in most of its key markets is expected to remain subdued in FY2017.

11. Dividend

(a) Current financial period reported on

Any dividend recommended for the current financial period reported on? No

(b) Corresponding period of the immediately preceding financial year

Any dividend recommended for the corresponding period of the immediately preceding financial year? No

(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 for the current financial period reported on.

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 under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)			
	Group (First Quarter) 3 months ended		Group (Year-To-Date) 3 months ended		Group (First Quarter) 3 months ended		Group (Year-To-Date) 3 months ended	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015	30 June 2016	30 June 2015	30 June 2016	30 June 2015
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
(A) Sale								
CS Construction & Geotechnic Pte Ltd	-	-	-	-	400	-	400	-
L&M Foundation Specialist Pte Ltd	-	-	-	-	106	854	106	854
THL Foundation Equipment Pte Ltd	-	-	-	-	250	-	250	-
CS Bored Pile System Pte Ltd	-	-	-	-	148	-	148	-
Ng Sun Ho	410	-	410	-	-	-	-	-
(B) Purchase								
CMC Construction Pte Ltd	-	-	-	-	-	264	-	264
BP-Ubi Industrial Pte Ltd	-	-	-	-	152	149	152	149

14. Confirmation of Procuring Undertakings from Directors and Executive Officers

The company has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7.7 of the Listing Manual) under Rule 720(1) of the Listing Manual.

By Order of the Board
Jennie Hong Chok Hane
Group CFO / Company Secretary
12 August 2016

STATEMENT PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

We confirm on behalf of the Board of Directors that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the financial results of the Group and Company (comprising the statement of financial position, consolidated statement of comprehensive income, statement of changes in equity and consolidated statement of cash flow, together with their accompanying notes) as at 30 June 2016 and the results of the business, changes in equity and cash flows of the Group for the 3 months ended on that date, to be false or misleading in any material respect.

ON BEHALF OF THE DIRECTORS

Ng San Tiong
Managing Director

Ng Sang Kuey
Director