TAT HONG HOLDINGS LTD

Registration Number: 199105392H

Unaudited Third Quarter Financial Statements Announcement
For The Quarter Ended 31 December 2015

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 (Third Quarter)			Group (Year-To-Date)		
	3 months ended			9 months ended		
	31 December 2015	31 December 2014	% Change	31 December 2015	31 December 2014	% Change
	S$'000	S$'000		S$'000	S$'000	
Revenue	124,829	154,945	(19)	401,511	471,960	(15)
Cost of sales	(86,672)	(102,526)	(15)	(275,362)	(303,438)	(9)
Gross profit	38,157	52,419	(27)	126,149	168,522	(25)
Other operating income including interest income	3,614	3,304	9	24,599	17,601	40
Distribution expenses	(8,356)	(11,293)	(26)	(24,687)	(32,343)	(24)
Administrative expenses	(31,738)	(31,987)	(1)	(93,896)	(107,345)	(13)
Other operating expenses	(3,480)	4,521	NM	(8,406)	5,992	NM
Finance expense	(5,340)	(6,306)	(15)	(18,047)	(19,278)	(6)
Share of results of associates (net of tax)	469	(585)	NM	592	3,654	(84)
Share of results of joint ventures (net of tax)	(195)	(120)	63	(418)	(112)	273
(Loss)/profit before income tax	(6,869)	9,953	NM	5,886	36,691	(84)
Income tax credit/(expense)	105	(4,568)	NM	(5,309)	(12,090)	(56)
(Loss)/profit for the period	(6,764)	5,385	NM	577	24,601	(98)
Attributable to:						
Owners of the Company	(6,678)	4,532	NM	500	21,945	(98)
Non-controlling interests	(86)	853	NM	77	2,656	(97)
(Loss)/profit for the period	(6,764)	5,385	NM	577	24,601	(98)

NM: Not meaningful

1(a)(ii) Statement Of Comprehensive Income

	Group (Third Quarter)			Group (Year-To-Date)		
	3 months ended			9 months ended		
	31 December 2015	31 December 2014	% Change	31 December 2015	31 December 2014	% Change
	S$'000	S$'000		S$'000	S$'000	
(Loss)/profit for the period	(6,764)	5,385	NM	577	24,601	(98)
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss:						
Net gain/(loss) on translation of net investment in foreign entities	1,573	(1,791)	NM	(13,968)	(9,710)	44
Effective portion of changes in fair value of cash flow hedges	80	159	(50)	272	159	71
Foreign currency translation reclassified to profit or loss on disposal of an associate	-	-	NM	-	1,023	NM
Foreign currency translation reclassified to profit or loss on liquidation of an associate	-	-	NM	45	-	NM
Other comprehensive gain/(loss) for the period, net of income tax	1,653	(1,632)	NM	(13,651)	(8,528)	60
Total comprehensive (loss)/income for the period	(5,111)	3,753	NM	(13,074)	16,073	NM
Attributable to:						
Owners of the company	(4,984)	2,757	NM	(13,163)	13,941	NM
Non-controlling interests	(827)	996	NM	(611)	2,132	NM
Total comprehensive (loss)/income for the period	(5,811)	3,753	NM	(13,774)	16,073	NM

NM: Not meaningful

1(a)(iii) Notes to income statement

	Group (Third Quarter)			Group (Year-To-Date)		
	3 months ended			9 months ended		
	31 December 2015	31 December 2014	% Change	31 December 2015	31 December 2014	% Change
	S$'000	S$'000		S$'000	S$'000	
Depreciation of property, plant and equipment	(19,411)	(22,246)	(13)	(60,943)	(66,856)	(9)
Gain on disposal of property, plant and equipment	1,449	1,902	(24)	17,090	7,271	135
Property, plant and equipment written off	(21)	-	NM	(24)	(64)	(63)
Amortisation of intangible assets	(231)	(95)	143	(383)	(291)	32
Allowance recognised for inventories	(482)	(514)	(6)	(592)	(4,955)	(88)
Allowance written back/(recognised) for trade receivables	348	(2,042)	NM	667	(3,307)	NM
Bad debts written off	(213)	-	NM	(841)	-	NM
Foreign exchange (loss)/gain, included in "other operating expenses"	(1,333)	5,824	NM	(6,778)	7,551	NM
Loss on fair value adjustment on derivatives, net, included in "other operating expenses"	(1,564)	(979)	60	(396)	(554)	(29)
Impairment loss on property, plant and equipment	(169)	-	NM	(169)	-	NM
Dividend income from investment in other financial assets	-	-	NM	306	174	76
Interest income	178	211	(16)	549	622	(12)
Share-based payment expenses	(9)	(30)	(70)	(84)	(211)	(60)
Gain on disposal of an associate	-	-	NM	-	151	NM
Gain on disposal of subsidiaries	-	-	NM	-	4,809	NM
Gain on liquidation of an associate	-	-	NM	223	-	NM
Over/(under) provision of income tax expense	49	37	32	1,084	(3)	NM
Cost of long service and annual leave	(1,022)	(1,044)	(2)	(3,278)	(3,656)	(10)

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	
	31 December 2015 S$'000	31 March 2015 S$'000	31 December 2015 S$'000	31 March 2015 S$'000
Non-current assets				
Property, plant and equipment	840,403	919,310	1,423	1,650
Subsidiaries	-	-	365,923	387,320
Associates	56,756	58,865	12,556	12,556
Joint ventures	4,144	4,564	4,439	4,439
Other financial assets	885	798	801	714
Deferred tax assets	5,998	5,745	-	-
Intangible assets	20,970	21,152	-	-
Trade and other receivables	1,018	1,585	-	-
	930,174	1,012,019	385,142	406,679
Current assets				
Assets held for sale	10,936	2,240	-	-
Inventories	172,307	186,500	-	-
Trade and other receivables	234,945	203,140	205,426	169,459
Cash and cash equivalents	58,660	93,266	5,614	891
	476,848	485,146	211,040	170,350
Total assets	1,407,022	1,497,165	596,182	577,029
Equity attributable to owners of the Company				
Share capital	325,849	325,849	325,849	325,849
Reserve for own shares	(2,673)	(1,766)	(2,673)	(1,766)
Share-based payment reserve	535	779	535	779
Capital reserves	29,908	26,258	(1,938)	(1,951)
Fair value reserve	545	273	503	273
Currency translation reserve	(35,354)	(22,234)	-	-
Accumulated profits	315,462	321,670	29,330	43,286
	634,272	650,829	351,606	366,470
Non-controlling interests	46,782	50,571	-	-
Total equity	681,054	701,400	351,606	366,470
Non-current liabilities				
Trade and other payables	1,309	1,173	-	-
Financial liabilities	210,907	269,699	81,034	96,034
Notes payable	98,990	99,348	98,990	99,348
Deferred tax liabilities	22,727	23,525	-	-
	333,933	393,745	180,024	195,382
Current liabilities				
Trade and other payables	183,796	208,455	44,852	3,637
Financial liabilities	203,710	187,489	19,688	11,510
Current tax payable	4,529	6,076	12	30
	392,035	402,020	64,552	15,177
Total liabilities	725,968	795,765	244,576	210,559
Total equity and liabilities	1,407,022	1,497,165	596,182	577,029

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 31 December 2015		As at 31 March 2015	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
89,422	114,288	104,481	83,008

Amount repayable after one year

As at 31 December 2015		As at 31 March 2015	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
127,810	83,097	171,080	98,619

Details of any collateral

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

(i) S$11,676,000 (31 March 2015: S$15,254,000) secured by a charge over seven barges and a work boat of a subsidiary with a carrying value of S$29,102,000 (31 March 2015: S$30,496,000);

(ii) S$110,114,000 (31 March 2015: S$159,046,000) in respect of property, plant and equipment acquired under finance leases with a carrying value of S$188,017,000 (31 March 2015: S$257,628,000);

(iii) S$83,259,000 (31 March 2015: S$89,329,000) secured by equipment of subsidiaries with a carrying value of S$156,224,000 (31 March 2015: S$148,053,000);

(iv) S$8,987,000 (31 March 2015: S$11,932,000) secured by a charge over leasehold land and building of subsidiaries with a carrying value of S$22,066,000 (31 March 2015: S$22,487,000); and

(v) S$3,196,000 (31 March 2015: Nil) secured by a charge over freehold land of a subsidiary with a carrying value of S$4,790,000 (31 March 2015: Nil).

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 (Third Quarter)		Group (Year-To-Date)	
	3 months ended		9 months ended	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	S$'000	S$'000	S$'000	S$'000
Operating activities:				
(Loss)/profit for the period	(6,764)	5,385	577	24,601
Adjustments for:				
Depreciation of property, plant and equipment	19,411	22,246	60,943	66,856
Gain on disposal of property, plant and equipment	(1,449)	(1,902)	(17,090)	(7,271)
Loss on fair value adjustment on derivatives, net	1,564	979	396	554
Bad debts written off	213	-	841	-
Property, plant and equipment written off	21	-	24	64
Amortisation of intangible assets	231	95	383	291
Cost of long service and annual leave	1,022	1,044	3,278	3,656
Gain on disposal of subsidiaries	-	-	-	(4,809)
Gain on disposal of an associate	-	-	-	(151)
Gain on liquidation of an associate	-	-	(223)	-
Dividend income from investment in other financial assets	-	-	(306)	(174)
Share of results of associates	(469)	585	(592)	(3,654)
Share of results of joint ventures	195	120	418	112
Provisions made	83	87	229	164
Share-based payment expenses	9	30	84	211
Finance income	(178)	(211)	(549)	(622)
Finance expense	5,340	6,306	18,047	19,278
Impairment loss on property, plant and equipment	169	-	169	-
Income tax (credit)/expense	(105)	4,568	5,309	12,090
Operating profit before working capital changes	19,293	39,332	71,938	111,196
Changes in working capital:				
Inventories	(1,932)	(12,711)	3,189	(21,886)
Trade and other receivables	(3,142)	8,372	(31,031)	(11,748)
Trade and other payables	(4,280)	(9,579)	(16,518)	12,836
Cash generated from operations	9,939	25,414	27,578	90,398
Income taxes paid	(2,074)	(606)	(6,042)	(6,828)
Payment for warranties	(23)	-	(23)	-
Payment for long service and annual leave and others	(1,900)	(1,345)	(4,809)	(3,476)
Net cash from operating activities	5,942	23,463	16,704	80,094
Investing activities:				
Purchase of property, plant and equipment	(3,834)	(5,328)	(22,631)	(37,980)
Purchase of intangible assets	(256)	(554)	(741)	(1,286)
Proceeds from disposal of property, plant and equipment	12,057	1,874	48,038	16,551
Proceeds from disposal of an associate	-	-	-	17,181
Distribution from liquidation of an associate	-	-	321	-
Net cash inflow on disposal of subsidiaries	-	-	-	10,761
Dividends received from associates	-	-	2,050	678
Dividends received from other financial assets	-	-	306	-
Loan to associate	-	-	(1,200)	-
Investment in a joint venture	-	-	-	(2,261)
Investment in other financial assets	(87)	-	(87)	(155)
Interest received	178	211	549	622
Net cash from/(used in) investing activities	8,058	(3,797)	26,605	4,111

	Group (Third Quarter)		Group (Year-To-Date)	
	3 months ended		9 months ended	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	S$'000	S$'000	S$'000	S$'000
Financing activities:				
Purchase of treasury shares	-	(345)	(1,058)	(345)
Purchase of notes payable	(500)	-	(500)	-
Net repayment of trust receipts	(9,180)	(3,356)	(10,413)	(34,932)
Proceeds from bank loans	38,453	88,945	104,628	165,408
Repayment of bank loans	(22,092)	(61,146)	(93,803)	(130,119)
Proceeds from finance lease obligations	57	9,031	10,847	25,573
Repayment of finance lease obligations	(11,164)	(23,813)	(62,903)	(65,767)
Dividends paid	-	(3,207)	(6,298)	(9,624)
Acquisition of non-controlling interests	-	-	(10,326)	(11,302)
Equity contribution by non-controlling interests	-	-	10,326	11,044
Change in bank balances earmarked for certain banking facilities	(3,119)	-	(3,193)	-
Interest paid	(5,175)	(6,560)	(17,566)	(19,314)
Net cash used in financing activities	(12,720)	(451)	(80,259)	(69,378)
Net increase/(decrease) in cash and cash equivalents during the period	1,280	19,215	(36,950)	14,827
Cash and cash equivalents at beginning of the period	52,951	46,743	92,237	51,191
Effect of exchange rate fluctuations on cash held	207	82	(849)	22
Cash and cash equivalents at end of the period	54,438	66,040	54,438	66,040

	Group	
	31 December 2015	31 December 2014
	S$'000	S$'000
Cash and cash equivalents		
Cash, bank balances and fixed deposits with banks	58,660	66,387
Bank balances earmarked for certain banking facilities	(4,222)	(347)
Cash and cash equivalents at end of the period	54,438	66,040

Notes:

During the quarter ended 31 December 2015, the Group acquired property, plant and equipment with an aggregate cost of S$4,551,000 (31 December 2014: S$15,664,000) of which S$717,000 (31 December 2014: nil) was acquired by means of finance leases.

In addition, property, plant and equipment of S$57,000 (31 December 2014: S$6,880,000) was reclassified from inventories during the quarter ended 31 December 2015, of which S$57,000 (31 December 2014: S$6,880,000) was financed by means of finance leases.

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	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 2014	**337,321**	**(1,606)**	**778**	**29,424**	**(20,493)**	**330,111**	**675,535**	**52,073**	**727,608**
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	17,413	17,413	1,803	19,216
Other comprehensive income									
Foreign currency translation reclassified to profit or loss on disposal of an associate	-	-	-	-	1,023	-	1,023	-	1,023
Net gain/(loss) on translation of net investment in foreign entities	-	-	-	39	(7,291)	-	(7,252)	(667)	(7,919)
Total other comprehensive income	-	-	-	39	(6,268)	-	(6,229)	(667)	(6,896)
Total comprehensive income for the period	-	-	-	39	(6,268)	17,413	11,184	1,136	12,320
Transactions with owners of the Company, recognised directly in equity									
Contributions by and distributions to owners of the Company									
Disposal of subsidiaries	-	-	-	-	-	-	-	(7,154)	(7,154)
Value of employee services received for issue of performance shares	-	-	181	-	-	-	181	-	181
Performance shares awarded using treasury shares	-	185	(188)	3	-	-	-	-	-
Cancellation of share options	-	-	(24)	-	-	24	-	-	-
Bonus shares issued by a subsidiary	-	-	-	3,706	-	(3,706)	-	-	-
Dividends paid	-	-	-	-	-	(6,417)	(6,417)	(1,039)	(7,456)
Total contributions by and distributions to owners of the Company	-	185	(31)	3,709	-	(10,099)	(6,236)	(8,193)	(14,429)
Change in ownership interest in subsidiaries									
Acquisition of / Equity contribution by non-controlling interests	-	-	-	(5,196)	-	-	(5,196)	4,938	(258)
Total changes in ownership interests in subsidiaries	-	-	-	(5,196)	-	-	(5,196)	4,938	(258)
At 30 September 2014	**337,321**	**(1,421)**	**747**	**27,976**	**(26,761)**	**337,425**	**675,287**	**49,954**	**725,241**

The Group

	Share capital S$'000	Reserve for own shares S$'000	Share-based payment reserve S$'000	Capital reserve S$'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 October 2014	**337,321**	**(1,421)**	**747**	**27,976**	**-**	**(26,761)**	**337,425**	**675,287**	**49,954**	**725,241**
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	4,532	4,532	853	5,385
Other comprehensive income										
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	159	-	-	159	-	159
Net gain/(loss) on translation of net investment in foreign entities	-	-	-	86	-	(2,020)	-	(1,934)	143	(1,791)
Total other comprehensive income	-	-	-	86	159	(2,020)	-	(1,775)	143	(1,632)
Total comprehensive income for the period	-	-	-	86	159	(2,020)	4,532	2,757	996	3,753
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Redemption of convertible redeemable preference shares	(11,472)	-	-	(1,982)	-	-	-	(13,454)	-	(13,454)
Purchase of treasury shares	-	(345)	-	-	-	-	-	(345)	-	(345)
Value of employee services received for issue of performance shares	-	-	30	-	-	-	-	30	-	30
Dividends paid	-	-	-	-	-	-	(3,207)	(3,207)	-	(3,207)
Total contributions by and distributions to owners of the Company	(11,472)	(345)	30	(1,982)	-	-	(3,207)	(16,976)	-	(16,976)
At 31 December 2014	**325,849**	**(1,766)**	**777**	**26,080**	**159**	**(28,781)**	**338,750**	**661,068**	**50,950**	**712,018**

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	-	-	-	-	-	-	7,178	7,178	163	7,341
Other comprehensive income										
Foreign currency translation reclassified to profit or loss on liquidation of an associate	-	-	-	-	-	45	-	45	-	45
Net gain/(loss) on translation of net investment in foreign entities	-	-	-	173	-	(15,767)	-	(15,594)	53	(15,541)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	192	-	-	192	-	192
Total other comprehensive income	-	-	-	173	192	(15,722)	-	(15,357)	53	(15,304)
Total comprehensive income for the period	-	-	-	173	192	(15,722)	7,178	(8,179)	216	(7,963)
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Cancellation of share options	-	-	(139)	-	-	-	139	-	-	-
Value of employee services received for issue of performance shares	-	-	75	-	-	-	-	75	-	75
Performance shares awarded using treasury shares	-	151	(164)	13	-	-	-	-	-	-
Purchase of treasury shares	-	(1,058)	-	-	-	-	-	(1,058)	-	(1,058)
Dividends paid	-	-	-	-	-	-	(6,298)	(6,298)	-	(6,298)
Total contributions by and distributions to owners of the Company	-	(907)	(228)	13	-	-	(6,159)	(7,281)	-	(7,281)
Change in ownership interest in subsidiaries										
Acquisition of / Equity contribution by non-controlling interest	-	-	-	3,178	-	-	-	3,178	(3,178)	-
Total changes in ownership interest in subsidiaries	-	-	-	3,178	-	-	-	3,178	(3,178)	-
At 30 September 2015	**325,849**	**(2,673)**	**551**	**29,622**	**465**	**(37,956)**	**322,689**	**638,547**	**47,609**	**686,156**

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 October 2015	**325,849**	**(2,673)**	**551**	**29,622**	**465**	**(37,956)**	**322,689**	**638,547**	**47,609**	**686,156**
Total comprehensive income for the period										
Loss for the period	-	-	-	-	-	-	(6,678)	(6,678)	(86)	(6,764)
Other comprehensive income										
Net (loss)/gain on translation of net investment in foreign entities	-	-	-	(288)	-	2,602	-	2,314	(741)	1,573
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	80	-	-	80	-	80
Total other comprehensive income	-	-	-	(288)	80	2,602	-	2,394	(741)	1,653
Total comprehensive income for the period	-	-	-	(288)	80	2,602	(6,678)	(4,284)	(827)	(5,111)
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Cancellation of share options	-	-	(25)	-	-	-	25	-	-	-
Value of employee services received for issue of performance shares	-	-	9	-	-	-	-	9	-	9
Transfer from accumulated profits	-	-	-	574	-	-	(574)	-	-	-
Total contributions by and distributions to owners of the Company	-	-	(16)	574	-	-	(549)	9	-	9
At 31 December 2015	**325,849**	**(2,673)**	**535**	**29,908**	**545**	**(35,354)**	**315,462**	**634,272**	**46,782**	**681,054**

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 2014	**337,321**	**(1,606)**	**778**	**28**	**-**	**42,586**	**379,107**
Total comprehensive income for the period							
Loss for the period/Total comprehensive income for the period	-	-	-	-	-	(3,044)	(3,044)
Contributions by and distributions to owners of the Company							
Value of employee services received for issue of performance shares	-	-	181	-	-	-	181
Performance shares awarded using treasury shares	-	185	(188)	3	-	-	-
Cancellation of share options	-	-	(24)	-	-	24	-
Dividends paid	-	-	-	-	-	(6,417)	(6,417)
Total contributions by and distributions to owners of the Company	-	185	(31)	3	-	(6,393)	(6,236)
At 30 September 2014	**337,321**	**(1,421)**	**747**	**31**	**-**	**33,149**	**369,827**
At 1 October 2014	**337,321**	**(1,421)**	**747**	**31**	**-**	**33,149**	**369,827**
Total comprehensive income for the period							
Loss for the period/Total comprehensive income for the period	-	-	-	-	-	(5,422)	(5,422)
Other comprehensive income							
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	159	-	159
Total other comprehensive income	-	-	-	-	159	-	159
Total comprehensive income for the period	-	-	-	-	159	(5,422)	(5,263)
Contributions by and distributions to owners of the Company							
Redemption of convertible redeemable preference shares	(11,472)	-	-	(1,982)	-	-	(13,454)
Value of employee services received for issue of performance shares	-	-	30	-	-	-	30
Purchase of treasury shares	-	(345)	-	-	-	-	(345)
Dividends paid	-	-	-	-	-	(3,206)	(3,206)
Total contributions by and distributions to owners of the Company	(11,472)	(345)	30	(1,982)	-	(3,206)	(16,975)
At 31 December 2014	**325,849**	**(1,766)**	**777**	**(1,951)**	**159**	**24,521**	**347,589**

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 2015	**325,849**	**(1,766)**	**779**	**(1,951)**	**273**	**43,286**	**366,470**
Total comprehensive income for the period							
Loss for the period	-	-	-	-	-	(7,865)	(7,865)
Other comprehensive income							
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	149	-	149
Total other comprehensive income	-	-	-	-	149	-	149
Total comprehensive income for the period	-	-	-	-	149	(7,865)	(7,716)
Contributions by and distributions to owners of the Company							
Cancellation of share options	-	-	(139)	-	-	139	-
Value of employee services received for issue of performance shares	-	-	75	-	-	-	75
Performance shares awarded using treasury shares	-	151	(164)	13	-	-	-
Purchase of treasury shares	-	(1,058)	-	-	-	-	(1,058)
Dividends paid	-	-	-	-	-	(6,298)	(6,298)
Total contributions by and distributions to owners of the Company	-	(907)	(228)	13	-	(6,159)	(7,281)
At 30 September 2015	**325,849**	**(2,673)**	**551**	**(1,938)**	**422**	**29,262**	**351,473**
At 1 October 2015	**325,849**	**(2,673)**	**551**	**(1,938)**	**422**	**29,262**	**351,473**
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	43	43
Other comprehensive income							
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	81	-	81
Total other comprehensive income	-	-	-	-	81	-	81
Total comprehensive income for the period	-	-	-	-	81	43	124
Contributions by and distributions to owners of the Company							
Cancellation of share options	-	-	(25)	-	-	25	-
Value of employee services received for issue of performance shares	-	-	9	-	-	-	9
Total contributions by and distributions to owners of the Company	-	-	(16)	-	-	25	9
At 31 December 2015	**325,849**	**(2,673)**	**535**	**(1,938)**	**503**	**29,330**	**351,606**

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.

There were no changes in the Company's share capital since 30 September 2015.

There were 155,000 performance shares granted but not vested as at 31 December 2015 (31 December 2014: 418,500).

Share Option

No share options under the Tat Hong Employee Share Option Scheme 2006 were exercised during the quarter ended 31 December 2015 (31 December 2014: nil).

During the quarter ended 31 December 2015, 78,000 share options were cancelled (31 December 2014: nil). As at 31 December 2015, there were 1,506,000 (31 December 2014: 2,034,000) 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 31 December 2015, the Company's issued and paid up capital less treasury shares comprised 627,528,923 ordinary shares (31 March 2015: 629,563,323).

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.

	FY2016	FY2015
Balance as at 1 April	2,029,500	1,769,000
Performance shares awarded using treasury shares in 1Q	(173,500)	(203,500)
Purchase of treasury shares in 2Q	2,207,900	464,000
Balance as at 31 December	4,063,900	2,029,500

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 2015.

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 2015. 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 (Third Quarter)		Group (Year-To-Date)	
	3 months ended	3 months ended	9 months ended	9 months ended
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Net (loss)/profit attributable to owners of the Group (S$'000)	(6,678)	4,532	500	21,945
Weighted average ordinary shares ('000) for calculation of:				
- Basic earnings per share	627,529	629,641	628,765	629,876
- Diluted earnings per share	627,529	629,641	628,765	629,876
(Loss)/Earnings per ordinary share ("EPS") (SGD cents) of the Group:				
(a) Based on the weighted average number of ordinary shares on issue	(1.06)	0.72	0.08	3.48
(b) On a fully diluted basis	(1.06)	0.72	0.08	3.48

As at 31 December 2015, there were 1,506,000 (31 December 2014: 2,034,000) share options which were granted on 30 September 2009 available for conversion to ordinary shares. The share options are deemed to be anti-dilutive (31 December 2014: 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	
	31 December 2015	31 March 2015	31 December 2015	31 March 2015
Net asset value per ordinary share (S$)	1.01	1.03	0.56	0.58
Net tangible asset per ordinary share (S$)	0.98	1.00	0.56	0.58

Net asset value and net tangible asset per ordinary share as at 31 December 2015 and 31 March 2015 were computed based on 627,528,923 and 629,563,323 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 31 December 2015 ("3QFY2016") decreased by 19% to S$124.8 million, compared to S$154.9 million in the quarter ended 31 December 2014 ("3QFY2015").

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

	Group (Third Quarter)			Group (Nine months)		
Revenue	FY2016	FY2015	Change	FY2016	FY2015	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Crane Rental	46,463	60,688	-23%	143,341	191,233	-25%
Tower Crane Rental	24,009	25,093	-4%	70,238	74,096	-5%
General Equipment Rental	11,076	13,260	-16%	34,582	44,929	-23%
Distribution	43,281	55,904	-23%	153,350	161,702	-5%
Total	124,829	154,945	-19%	401,511	471,960	-15%

Crane Rental revenue in 3QFY2016 fell by 23% to S$46.5m, mainly due to completion of projects in Australia, Malaysia and Thailand. Excluding the impact of a weaker Australian dollar, revenue fell 21%.

Tower Crane Rental division posted a 4% decrease in revenue to S$24.0m in 3QFY2016, mainly due to completion of projects and lower utilisation rates.

A weak construction sector in Australia and the weaker Australian dollar resulted in a 16% decline in revenue from the General Equipment Rental division in 3QFY2016 to S$11.1 million (3QFY2015: S$13.3 million). Excluding the impact of a weaker Australian dollar, the decline was 10%.

Revenue generated by the Distribution division in 3QFY2016 decreased by 23% to S$43.3 million. Excluding the effect of the weaker AUD:SGD, the decrease was 18%, primarily due to lower demand for cranes in Thailand, Vietnam and Singapore and reduced excavator sales in Indonesia, partially offset by higher sales of parts and used equipment in Australia.

The overall decrease in 3QFY2016 revenue led to a decline of 27% in the Group's gross profit, to S$38.2 million (3QFY2015: S$52.4 million). Gross profit margin fell from 33.8% to 30.6%. The decline in gross profit and gross profit margin was primarily attributable to the weak performance and higher outsourcing costs in the Australia operations, lower utilisation rates across most segments except Singapore and Hong Kong and sale of excavators and aged inventory units at reduced margins.

Excluding the foreign exchange impact, the Group's total operating costs declined by 7% to S$40.7 million (3QFY2015: S$43.6 million), primarily due to reduced depreciation charges arising from the Group's de-fleeting programme as well as cost containment measures implemented by the Group, partially offset by increased costs and provisions incurred in exiting the excavator distribution business in Indonesia. The Group also suffered foreign exchange losses of S$2.9 million in 3QFY2016 (3QFY2015: S$4.9 million gain), of which S$2.0 million was unrealised, mainly due to a weaker RMB against SGD.

Finance costs decreased by S$1.0 million primarily due to repayment of loans, partially offset by higher interest rates.

The Group recorded a pre-tax loss of S$6.9 million and a loss attributable to shareholders of S$6.7m in 3QFY2016 primarily due to costs and provisions associated with exiting the excavator business in Indonesia, foreign exchange losses as well as weak performance from Australia.

Balance Sheet Analysis (as at 31 December 2015 vs 31 March 2015)

- The decrease of S$78.9 million in the Group's net carrying amount of property, plant and equipment was mainly attributable to the disposal of properties and equipment, depreciation expense and the effect of a weaker AUD:SGD and RMB:SGD, partially offset by the addition of property, plant and equipment due to expansion of the tower crane rental segment.
- Equipment with a net book value of S$10.9 million was reclassified to "Assets held for sale" as at 31 December 2015 as the Group had committed to a plan to sell the equipment.
- Inventories decreased by approximately S$14.2 million, mainly due to the reclassification from inventories to property, plant and equipment of S$11.0 million and prudent inventory management during the period.
- Trade and other receivables increased by approximately S$31.8 million due to the timing of sales.
- Total financial liabilities decreased by approximately S$42.6 million mainly due to net repayment of finance lease obligations and translation loss arising from a weaker AUD:SGD, partially offset by net drawdown of bank loans.
- Net gearing as at 31 December 2015 was 0.76 times (31 March 2015: 0.77 times).

Cash flow

The net increase of S$1.3 million in cash and cash equivalents during 3QFY2016 resulted mainly from proceeds from the disposal of property, plant and equipment, net drawdown of bank loans and operating cash flow surplus, partially offset by net repayment of trust receipts and finance lease obligations, interest payments, purchase of property, plant and equipment, and increase in bank balances earmarked for banking facilities.

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 2QFY2016 ended 30 September 2015 which was released via the SGXNET on 13 November 2015.

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 in the ASEAN countries and Australia for Crane Rental is expected to adversely affect the Division's performance.

The General Equipment Rental Division is not expected to perform well due to the slow recovery of the Australian construction sector.

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

The Tower Crane Rental Division is expected to be stable in FY2016 on the back of a strong fleet size and opportunities in the building, infrastructure, transport and power generation sectors in the People's Republic of China.

The Group is facing difficult economic and sectoral outlooks in its key markets and expects its performance to be depressed in FY2016. Consequently, the Group will continue to rationalise its operations and its defleeting exercise to reduce overall operating costs.

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 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$100,000)			
	Group (Third Quarter) 3 months ended		Group (Year-To-Date) 9 months ended		Group (Third Quarter) 3 months ended		Group (Year-To-Date) 9 months ended	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
(A) Sale								
CS Construction & Geotechnic Pte Ltd	-	-	-	-	-	-	-	440
CMC Construction Pte Ltd	-	-	-	-	-	145	-	1,145
L&M Foundation Specialist Pte Ltd	-	-	-	-	332	-	1,718	-
THL Foundation Equipment Pte Ltd	-	-	-	-	-	630	400	630
(B) Purchase								
CMC Construction Pte Ltd	-	-	-	-	-	5,960	264	5,960
ICE Far East (HK) Ltd	-	-	-	-	-	367	-	832
ICE Far East Pte Ltd	-	-	-	-	400	-	400	-
BP-Ubi Industrial Pte Ltd	-	-	-	-	152	-	451	-

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
Company Secretary
12 February 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 31 December 2015 and the results of the business, changes in equity and cash flows of the Group for the 9 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 Sun Ho
Executive Director