

HI-P INTERNATIONAL LIMITED

(Company Registration No.: 198004817H)
(Incorporated in the Republic of Singapore)
("Company")

PROFIT GUIDANCE IN RELATION TO THE COMPANY'S FINANCIAL PERFORMANCE FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016

In the Company's unaudited financial results announcement for the second quarter ended 30 June 2016 made on 4 August 2016, the Company in paragraph 10 thereof, guided its performance *inter alia*, as follows:

The Group expects lower revenue and profit in 3Q2016 as compared to 3Q2015.

Based on a preliminary review of the unaudited financial results of the Group for the third quarter ended 30 September 2016 ("**3Q2016**"), the board of directors of the Company wishes to inform as follows:

The Group expects to report a higher profit, instead of a lower profit as previously guided, in 3Q2016 as compared to 3Q2015.

The difference between our previous expectation and the unaudited profit in 3Q2016 is mainly due to tighter cost controls, improvement in production efficiency and higher sales.

Further details of the Group's financial performance will be disclosed when the Company finalises and announces its unaudited financial result for 3Q2016.

By Order of the Board

Yao Hsiao Tung
Executive Chairman and Chief Executive Officer

19 October 2016