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**STAMFORD TYRES REPORTS GROUP TURNOVER OF \$292.5 MILLION FOR FY2015
- *Proposes dividend of 1.0 cents per share***

SINGAPORE, 25 JUNE 2015 – Mainboard-listed Stamford Tyres Corporation Limited (“Stamford Tyres”)(STC:SP) today announced an increase of 0.7 per cent in the Group’s total turnover of \$292.5 million for FY2015 as compared to \$290.6 million for FY2014. *The increase in Group total revenue would have been higher if not for the strengthening of the Singapore Dollar against the Indonesian Rupiah, South African Rand, Malaysian Ringgit and Australian dollar. All overseas sales in local currency were converted and consolidated into Singapore Dollar.*

Gross profit for the Group was lower at \$64.5 million in FY2015 as compared to \$66.2 million in FY2014 due to pricing pressure arising from market competition in some markets. Gross profit margin for FY2015 was slightly lower at 22.1% as compared to 22.8% in FY2014.

In FY2014, there was a one-off gain of \$5.6 million from the disposal of Balestier Tower property. There was no such gain in FY2015.

Excluding the above one-off gain in FY14, operating expenses decreased by 1.9% to S\$62.0 million in FY15 compared to S\$63.2 million in FY14 due to lower allowance for doubtful debts, allowance for inventory obsolescence and rental expenses offset by higher depreciation, salaries and marketing costs.

The cash and cash equivalent of the Group stood at \$15.9 million as at 30 April 2015 as compared to \$18.6 million as at last year

On a diluted basis, the Group’s earnings per ordinary share decreased from 4.25 cents for FY2014 to 0.72 cents for FY2015. As at 30 April 2015, the Group’s net asset value per ordinary share stood at 51.38 cents as at 30 April 2015, compared to 52 cents as at 30 April 2014.

The Directors have recommended a first and final dividend of 1.0 cents 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: “The challenging environment has resulted in the Group facing stiff competition in some markets in which we are operating. As a result, our gross profit margin was slightly affected. However, I am pleased that we are still able to maintain gross profit margin of above 20 per cent under these circumstances.

Business Prospects

The global economic outlook remains uncertain. As a result, our operating environment will continue to be challenging. To mitigate this challenging environment, the Group will continue to optimize its product mix and manage operating costs so as to enhance its performance. The Group will continue to build on its core markets in South East Asia.

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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. While 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.

For more information, please contact:-

Mileage Communications Pte Ltd

Patsy Phay / Samantha Tan

Tel: 6222-1678

Email: patsy@mileage.com.sg / samantha@mileage.com.sg