

**Financial Statement and Dividend Announcement for the quarter ended 31 December 2012**  
**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),**  
**HALF-YEAR AND FULL YEAR RESULTS**

**1(a) Income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Q 4-12</b>	<b>Q 4-11</b>	<b>Increase/ (decrease)</b>	<b>YTD</b>	<b>YTD</b>	<b>Increase/ (decrease)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>Q 4-12</b>	<b>Q 4-11</b>	<b>%</b>
				<b>S\$'000</b>	<b>S\$'000</b>	
<b>Revenue</b>	364,966	422,137	(13.5)	1,166,741	1,203,909	(3.1)
Cost of sales	<u>(325,899)</u>	<u>(388,046)</u>	(16.0)	<u>(1,068,890)</u>	<u>(1,073,145)</u>	(0.4)
<b>Gross profit</b>	39,067	34,091	14.6	97,851	130,764	(25.2)
<b>Other items of income</b>						
Interest income	773	2,018	(61.7)	6,789	4,889	38.9
Other income	3,785	4,058	(6.7)	13,306	13,945	(4.6)
<b>Other items of expense</b>						
Selling and distribution expenses	(1,983)	(1,701)	16.6	(7,303)	(7,286)	0.2
Administrative expenses	(23,351)	(22,042)	5.9	(78,528)	(71,891)	9.2
Financial costs	(722)	(802)	(10.0)	(3,953)	(1,465)	169.8
Other expenses	1,347	(4,300)	n.m.	(5,935)	(9,599)	(38.2)
Share of results of associates	397	(59)	n.m.	325	31	948.4
<b>Profit before tax</b>	19,313	11,263	71.5	22,552	59,388	(62.0)
Income tax expense	<u>(3,761)</u>	<u>(1,836)</u>	104.8	<u>(4,599)</u>	<u>(14,428)</u>	(68.1)
<b>Profit, net of tax</b>	<u>15,552</u>	<u>9,427</u>	65.0	<u>17,953</u>	<u>44,960</u>	(60.1)
<b>Attributable to:</b>						
Owners of the Company	15,550	9,430	64.9	17,948	44,989	(60.1)
Non-controlling interests	<u>2</u>	<u>(3)</u>	n.m.	<u>5</u>	<u>(29)</u>	n.m.
	<u>15,552</u>	<u>9,427</u>	65.0	<u>17,953</u>	<u>44,960</u>	(60.1)

n.m. – Not Meaningful

**Consolidated statement of comprehensive income for the quarter ended 31 December 2012**

	Group			Group		
	Q4-12 S\$'000	Q4-11 S\$'000	Increase/ (decrease) %	YTD Q4-12 S\$'000	YTD Q4-11 S\$'000	Increase/ (decrease) %
<b>Profit for the period</b>	15,552	9,427	65.0	17,953	44,960	(60.1)
<b>Other comprehensive income:</b>						
Foreign currency translation	3,726	2,066	80.3	(16,729)	18,002	n.m.
Share of other comprehensive income of associates	(98)	24	n.m.	(98)	92	n.m.
Other comprehensive income for the period, net of tax	<u>3,628</u>	<u>2,090</u>	73.6	<u>(16,827)</u>	<u>18,094</u>	n.m.
<b>Total comprehensive income for the period</b>	<u>19,180</u>	<u>11,517</u>	66.5	<u>1,126</u>	<u>63,054</u>	(98.2)
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	19,170	11,508	66.6	1,165	63,034	(98.2)
Non-controlling interests	<u>10</u>	<u>9</u>	11.1	<u>(39)</u>	<u>20</u>	n.m.
	<u>19,180</u>	<u>11,517</u>	66.5	<u>1,126</u>	<u>63,054</u>	(98.2)

n.m. – Not Meaningful

Other notes:

Profit from operations is arrived at after charging /(crediting) the following:

	<b>Q4-12</b>	<b>Q4-11</b>	<b>YTD</b>	<b>YTD</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>Q4-12</b>	<b>Q4-11</b>
			<b>S\$'000</b>	<b>S\$'000</b>
1. Depreciation of property, plant and equipment	19,748	14,780	69,749	59,487
2. (Reversal of impairment loss)/ impairment loss on property, plant and equipment	(1,963)	8,462	428	7,909
3. Net loss on disposal of property, plant and equipment	664	596	549	119
4. Property, plant and equipment written off	708	60	1,295	200
5. Allowance for inventory obsolescence	1,306	1,938	5,299	2,943
6. Inventories written back	(523)	(434)	(1,137)	(2,158)
7. Impairment loss/ (write back) on doubtful receivables	528	283	164	(636)
8. Bad debt written off/ (recovered)	-	43	(42)	179
9. Directors' fees	86	109	365	418
10. Staff costs (including directors' remuneration)	81,956	67,561	261,468	237,149
11. Operating lease expense	4,520	4,849	18,787	17,217
12. Net foreign exchange loss/ (gain)	1,757	(2,751)	6,292	3,475
13. Net fair value gain on derivatives	(2,605)	(2,527)	(4,537)	(3,534)
14. (Gain)/ loss on disposal of investment in subsidiaries	-	(487)	1,516	(379)
15. Gain on disposal of investment in an associate	-	-	(9)	-

**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	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	363,912	284,392	17,084	18,069
Land use rights	1,365	-	-	-
Investment in subsidiaries	-	-	252,978	207,821
Investment in associates	1,886	2,328	984	1,478
Other investment	12	12	12	12
Trade and other receivables	-	-	89,047	60,649
Other long term assets	223	87	-	-
Deferred tax assets	12,740	13,974	-	-
<b>Current assets</b>				
Inventories	145,509	124,832	3,784	3,889
Trade and other receivables	328,469	293,318	48,617	140,283
Prepaid operating expenses	16,050	16,453	597	510
Derivatives	1,401	984	1,190	692
Cash and cash equivalents	177,508	339,713	18,249	48,297
	668,937	775,300	72,437	193,671
Assets of disposal group classified as held for sale (Note 1)	2,113	-	-	-
	671,050	775,300	72,437	193,671
<b>Current liabilities</b>				
Trade and other payables	277,900	311,355	11,329	15,870
Accrued operating expenses	32,189	33,467	6,048	10,586
Provisions	3,918	-	-	-
Loans and borrowings	142,228	116,692	80,223	116,176
Income tax payable	10,597	10,742	150	357
Derivatives	678	2,835	678	2,237
	467,510	475,091	98,428	145,226
Liabilities directly associated with disposal group classified as held for sale (Note 1)	453	-	-	-
	467,963	475,091	98,428	145,226
<b>Net current assets</b>	<b>203,087</b>	<b>300,209</b>	<b>(25,991)</b>	<b>48,445</b>
<b>Non-current liabilities</b>				
Loans and borrowings	2,073	2,725	-	-
Deferred tax liabilities	1,402	1,582	-	-
	3,475	4,307	-	-
<b>Net assets</b>	<b>579,750</b>	<b>596,695</b>	<b>334,114</b>	<b>336,474</b>

	<b>Group</b>		<b>Company</b>	
	<b>31/12/2012</b>	<b>31/12/2011</b>	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	119,725	119,725	119,725	119,725
Treasury shares	(44,285)	(44,235)	(44,285)	(44,235)
Accumulated profits	474,409	477,068	250,947	255,091
Other reserves	25,088	43,175	7,727	5,893
Reserve of disposal group classified as held for sale (Note 1)	3,890	-	-	-
	<u>578,827</u>	<u>595,733</u>	<u>334,114</u>	<u>336,474</u>
Non-controlling interests	923	962	-	-
<b>Total equity</b>	<u><u>579,750</u></u>	<u><u>596,695</u></u>	<u><u>334,114</u></u>	<u><u>336,474</u></u>

### **Note 1**

On 16 July 2012, the Company announced the decision of its board of directors to cease business operation of one of its wholly-owned subsidiaries, High Precision Moulding and Tools, S.A.de C.V. ("Hi-P Mexico"), with effect from 30 September 2012. Hi-P Mexico will remain a dormant company thereafter.

In accordance with FRS 105, the assets and liabilities related to Hi-P Mexico are presented as "Assets of disposal group classified as held for sale" and "Liabilities directly associated with disposal group classified as held for sale". The assets and liabilities of Hi-P Mexico classified as held for sale and the related reserve as at 31 December are as follows:

	<b>Group</b>	
	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Assets</b>		
Trade and other receivables	1,054	-
Prepaid operating expenses	5	-
Cash and cash equivalents	1,054	-
Assets of disposal group classified as held for sale	<u>2,113</u>	<u>-</u>
<b>Liabilities</b>		
Trade and other payables	10	-
Accrued operating expenses	226	-
Income tax payable	13	-
Deferred tax liabilities	204	-
	<u>453</u>	<u>-</u>
<b>Net assets of disposal group classified as held for sale</b>	<u><u>1,660</u></u>	<u><u>-</u></u>
<b>Reserve</b>		
Foreign currency translation reserve	<u><u>3,890</u></u>	<u><u>-</u></u>

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

**Amount repayable within one year or less, or on demand**

As at 31/12/2012		As at 31/12/2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
541	141,687	584	116,108

**Amount repayable after one year**

As at 31/12/2012		As at 31/12/2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
2,073	-	2,725	-

Lease obligations were secured against the respective leased assets.

**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.**

	<b>Q4-12</b>	<b>Q4-11</b>	<b>YTD</b>	<b>YTD</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>Q4-12</b>	<b>Q4-11</b>
			<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities</b>				
Profit before tax	19,313	11,263	22,552	59,388
Adjustments for:				
Depreciation of property, plant and equipment	19,748	14,780	69,749	59,487
(Reversal of impairment loss)/ impairment loss on property, plant and equipment	(1,963)	8,462	428	7,909
Net loss on disposal of property, plant and equipment	664	596	549	119
Property, plant and equipment written off	708	60	1,295	200
Allowance for inventory obsolescence	1,306	1,938	5,299	2,943
Inventories written back	(523)	(434)	(1,137)	(2,158)
Impairment loss/ (write back) on doubtful receivables	528	283	164	(636)
Bad debts written off/ (recovered)	-	43	(42)	179
Equity compensation expense	354	531	1,804	2,042
Interest expense	722	802	3,953	1,465
Interest income	(773)	(2,018)	(6,789)	(4,889)
Net fair value gain on derivatives - unrealised	(2,017)	(86)	(2,601)	3,071
(Gain)/ loss on disposal of investment in subsidiaries	-	(487)	1,516	(379)
Gain on disposal of investment in an associate	-	-	(9)	-
Translation difference	(1,867)	(3,595)	3,643	(3,800)
Share of results of associates	(397)	59	(325)	(31)
<b>Operating cash flows before changes in working capital</b>	<b>35,803</b>	<b>32,197</b>	<b>100,049</b>	<b>124,910</b>
<b>Changes in working capital</b>				
Decrease/ (increase) in inventories	29,334	40,172	(30,404)	(20,461)
Increase in trade and other receivables	(66,861)	(22,257)	(48,075)	(14,705)
Decrease/ (increase) in prepaid operating expenses and other long term asset	12,509	8,089	(468)	(14,646)
(Decrease)/ increase in trade and other payables	(28,951)	(3,419)	(35,468)	51,838
Increase/ (decrease) in accrued operating expenses	5,221	2,117	3,636	(2,498)
(Increase)/ decrease in amounts due from related parties	(166)	40	(132)	(77)
Total changes in working capital	(48,914)	24,742	(110,911)	(549)
<b>Cash flows (used in)/ generated from operations</b>	<b>(13,111)</b>	<b>56,939</b>	<b>(10,862)</b>	<b>124,361</b>
Income taxes paid	(2,619)	(3,933)	(2,389)	(22,826)
<b>Net cash flows (used in)/ generated from operating activities</b>	<b>(15,730)</b>	<b>53,006</b>	<b>(13,251)</b>	<b>101,535</b>

	Q4-12	Q4-11	YTD	YTD
	S\$'000	S\$'000	Q4-12	Q4-11
			S\$'000	S\$'000
<b>Cash flows from investing activities</b>				
Dividends received from an associated company	-	-	-	150
Interest received	779	1,777	6,657	4,137
Proceeds from disposal of property, plant and equipment	1,277	255	2,504	1,180
Purchase of property, plant and equipment (Note a)	(38,372)	(34,412)	(151,002)	(65,538)
Acquisition of land use rights	(1,365)	-	(1,365)	-
Proceeds from maturity of short term investments	-	-	-	3,906
Proceeds from disposal of an associate	-	-	500	-
<b>Net cash flows used in investing activities</b>	<b>(37,681)</b>	<b>(32,380)</b>	<b>(142,706)</b>	<b>(56,165)</b>
<b>Cash flows from financing activities</b>				
Dividends paid on ordinary shares	-	-	(19,824)	(29,811)
Purchase of treasury shares	-	(1,693)	(1,095)	(11,470)
Proceeds from re-issuance of treasury shares	283	-	1,075	1,289
Interest paid	(722)	(802)	(3,953)	(1,465)
Proceeds from loans and borrowings	13,326	30,290	31,224	116,108
Repayments of obligations under finance lease	(127)	(146)	(566)	(577)
<b>Net cash flows generated from financing activities</b>	<b>12,760</b>	<b>27,649</b>	<b>6,861</b>	<b>74,074</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(40,651)</b>	<b>48,275</b>	<b>(149,096)</b>	<b>119,444</b>
Effect of exchange rate changes on cash and cash equivalents	2,474	1,310	(12,055)	5,291
Cash and cash equivalents at beginning of period	216,739	290,128	339,713	214,978
<b>Cash and cash equivalents at end of period</b>	<b>178,562</b>	<b>339,713</b>	<b>178,562</b>	<b>339,713</b>

#### Note to the Consolidated Cash Flow Statement

##### (a) Purchase of Property, plant and equipment

Current year additions	41,954	33,896	166,510	86,736
Less: Payable to creditors	(24,961)	(22,225)	(35,936)	(26,685)
	16,993	11,671	130,574	60,051
Payments for prior period/year purchases	21,379	22,741	20,428	5,487
Net cash outflow for purchase	38,372	34,412	151,002	65,538

##### (b) Reconciliation of cash and cash equivalents at 31 December 2012

	S\$'000
Cash and cash equivalents at end of period per Statement of Financial Position	177,508
Cash and cash equivalents of disposal group classified as held for sale	1,054
Cash and cash equivalents at end of period per Cash Flow Statement above	178,562



1(d)(i) A statement (for the issuer and the 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.

(i) Consolidated statement of changes in equity for the 12 months ended 31 December 2012

Attributable to owners of the Company

	Share capital	Treasury shares	Other reserves	Reserve of disposal group classified as held for sale	Accumulated profits	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Opening balance at 1 January 2012</b>	119,725	(44,235)	43,175	-	477,068	595,733	962	596,695
Profit for the period	-	-	-	-	1,530	1,530	(13)	1,517
Foreign currency translation	-	-	(10,250)	-	-	(10,250)	(31)	(10,281)
Total comprehensive income for the period	-	-	(10,250)	-	1,530	(8,720)	(44)	(8,764)
<u>Contributions by and distributions to owners</u>								
Employee share option scheme -Equity compensation benefits	-	-	411	-	-	411	-	411
Purchase of treasury shares	-	(563)	-	-	-	(563)	-	(563)
<b>Total transactions with owners in their capacity as owners</b>	-	(563)	411	-	-	(152)	-	(152)
<b>Closing balance at 31 March 2012</b>	119,725	(44,798)	33,336	-	478,598	586,861	918	587,779
Loss for the period	-	-	-	-	(2,114)	(2,114)	15	(2,099)
Foreign currency translation	-	-	1,724	-	-	1,724	9	1,733
Total comprehensive income for the period	-	-	1,724	-	(2,114)	(390)	24	(366)
<u>Contributions by and distributions to owners</u>								
Employee share option scheme -Equity compensation benefits	-	-	543	-	-	543	-	543
Purchase of treasury shares	-	(532)	-	-	-	(532)	-	(532)
Treasury shares reissued pursuant to employee share option plans	-	769	23	-	-	792	-	792
Dividends on ordinary shares	-	-	-	-	(19,824)	(19,824)	-	(19,824)
<b>Total transactions with owners in their capacity as owners</b>	-	237	566	-	(19,824)	(19,021)	-	(19,021)
<b>Closing balance at 30 June 2012</b>	119,725	(44,561)	35,626	-	456,660	567,450	942	568,392

(i) Consolidated statement of changes in equity for the 12 months ended 31 December 2012 (Cont'd)  
 Attributable to owners of the Company

<b>Group</b>	<b>Share capital</b>	<b>Treasury shares</b>	<b>Other reserves</b>	<b>Reserve of disposal group classified as held for sale</b>	<b>Accumulated profits</b>	<b>Total equity attributable to equity holders of the Company</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Closing balance at 30 June 2012</b>	119,725	(44,561)	35,626	-	456,660	567,450	942	568,392
Profit for the period	-	-	-	-	2,982	2,982	1	2,983
Foreign currency translation	-	-	(11,877)	-	-	(11,877)	(30)	(11,907)
Total comprehensive income for the period	-	-	(11,877)	-	2,982	(8,895)	(29)	(8,924)
<b>Contributions by and distributions to owners</b>								
Employee share option scheme	-	-	496	-	-	496	-	496
-Equity compensation benefits	-	-	496	-	-	496	-	496
<b>Total transactions with owners in their capacity as owners</b>	-	-	496	-	-	496	-	496
<b>Others</b>								
Reserve attributable to disposal group classified as held for sale	-	-	(3,969)	3,969	-	-	-	-
Disposal of an associate	-	-	(31)	-	-	(31)	-	(31)
<b>Total others</b>	-	-	(4,000)	3,969	-	(31)	-	(31)
<b>Closing balance at 30 September 2012</b>	119,725	(44,561)	20,245	3,969	459,642	559,020	913	559,933

(i) Consolidated statement of changes in equity for the 12 months ended 31 December 2012 (Cont'd)

	<u>Attributable to owners of the Company</u>							
	Share capital	Treasury shares	Other reserves	Reserve of disposal group classified as held for sale	Accumulated profits	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
<u>Group</u>	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Closing balance at 30 September 2012</b>	119,725	(44,561)	20,245	3,969	459,642	559,020	913	559,933
Profit for the period	-	-	-	-	15,550	15,550	2	15,552
Share of other comprehensive income of associates	-	-	(98)	-	-	(98)	-	(98)
Foreign currency translation	-	-	3,718	-	-	3,718	8	3,726
Total comprehensive income for the period	-	-	3,620	-	15,550	19,170	10	19,180
<u>Contributions by and distributions to equity holders</u>								
Employee share option scheme -Equity compensation benefits	-	-	354	-	-	354	-	354
Treasury shares reissued pursuant to employee share option plans	-	276	7	-	-	283	-	283
<b>Total transactions with owners in their capacity as owners</b>	-	276	361	-	-	637	-	637
<u>Others</u>								
Reserve attributable to disposal group classified as held for sale	-	-	79	(79)	-	-	-	-
Transfer from retained earnings to statutory reserve fund	-	-	783	-	(783)	-	-	-
<b>Total others</b>	-	-	862	(79)	(783)	-	-	-
<b>Closing balance at 31 December 2012</b>	119,725	(44,285)	25,088	3,890	474,409	578,827	923	579,750

(ii) Consolidated statement of changes in equity for the 12 months ended 31 December 2011  
Attributable to owners of the Company

Group	Share capital	Treasury shares	Other reserves	Accumulated profits	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Opening balance at 1 January 2011</b>	119,725	(34,040)	21,263	463,701	570,649	942	571,591
Profit for the period	-	-	-	17,862	17,862	(9)	17,853
Share of other comprehensive income of associates	-	-	12	-	12	-	12
Foreign currency translation	-	-	(5,537)	-	(5,537)	(14)	(5,551)
Total comprehensive income for the period	-	-	(5,525)	17,862	12,337	(23)	12,314
<u>Contributions by and distributions to owners</u>							
Employee share option scheme -Equity compensation benefits	-	-	369	-	369	-	369
Purchase of treasury shares	-	(9,777)	-	-	(9,777)	-	(9,777)
Treasury shares reissued pursuant to employee share option plans	-	436	20	-	456	-	456
<b>Total transactions with owners in their capacity as owners</b>	-	(9,341)	389	-	(8,952)	-	(8,952)
<b>Closing balance at 31 March 2011</b>	119,725	(43,381)	16,127	481,563	574,034	919	574,953
Profit for the period	-	-	-	11,228	11,228	(9)	11,219
Foreign currency translation	-	-	(4,037)	-	(4,037)	(8)	(4,045)
Total comprehensive income for the period	-	-	(4,037)	11,228	7,191	(17)	7,174
<u>Contributions by and distributions to owners</u>							
Employee share option scheme -Equity compensation benefits	-	-	559	-	559	-	559
Treasury shares reissued pursuant to employee share option plans	-	816	(6)	-	810	-	810
Dividends on ordinary shares	-	-	-	(29,811)	(29,811)	-	(29,811)
<b>Total transactions with owners in their capacity as owners</b>	-	816	553	(29,811)	(28,442)	-	(28,442)
<b>Closing balance at 30 June 2011</b>	119,725	(42,565)	12,643	462,980	552,783	902	553,685

(ii) Consolidated statement of changes in equity for the 12 months ended 31 December 2011  
Attributable to owners of the Company

<b>Group</b>	<b>Share capital</b>	<b>Treasury shares</b>	<b>Other reserves</b>	<b>Accumulated profits</b>	<b>Total equity attributable to equity holders of the Company</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Closing balance at 30 June 2011</b>	119,725	(42,565)	12,643	462,980	552,783	902	553,685
Profit for the period	-	-	-	6,468	6,468	(7)	6,461
Share of other comprehensive income of associates	-	-	56	-	56	-	56
Foreign currency translation	-	-	25,475	(1)	25,474	58	25,532
Total comprehensive income for the period	-	-	25,531	6,467	31,998	51	32,049
<u>Contributions by and distributions to owners</u>							
Employee share option scheme -Equity compensation benefits	-	-	583	-	583	-	583
Treasury shares reissued pursuant to employee share option plans	-	23	-	-	23	-	23
<b>Total transactions with owners in their capacity as owners</b>	-	23	583	-	606	-	606
<u>Others</u>							
Transfer from retained earnings to statutory reserve fund	-	-	291	(291)	-	-	-
<b>Closing balance at 30 September 2011</b>	119,725	(42,542)	39,048	469,156	585,387	953	586,340
Profit for the period	-	-	-	9,430	9,430	(3)	9,427
Share of other comprehensive income of associates	-	-	24	-	24	-	24
Foreign currency translation	-	-	2,054	-	2,054	12	2,066
Total comprehensive income for the period	-	-	2,078	9,430	11,508	(9)	11,517
<u>Contributions by and distributions to equity holders</u>							
Employee share option scheme -Equity compensation benefits	-	-	531	-	531	-	531
Purchase of treasury shares	-	(1,693)	-	-	(1,693)	-	(1,693)
<b>Total transactions with owners in their capacity as owners</b>	-	(1,693)	531	-	(1,162)	-	(1,162)
<u>Others</u>							
Transfer from retained earnings to statutory reserve fund	-	-	1,518	(1,518)	-	-	-
<b>Closing balance at 31 December 2011</b>	119,725	(44,235)	43,175	477,068	595,733	962	596,695

## (iii) Statement of changes in equity of the Company for the 12 months ended 31 December 2012

Company	Attributable to owners of the Company				Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Accumulated profits S\$'000	
<b>Opening balance at 1 January 2012</b>	119,725	(44,235)	5,893	255,091	336,474
Profit for the period	-	-	-	3,148	3,148
<u>Contributions by and distributions to owners</u>					
Employee Share Option Scheme - Equity compensation benefits	-	-	411	-	411
Purchase of treasury shares	-	(563)	-	-	(563)
<b>Total transactions with owners in their capacity as owners</b>	-	(563)	411	-	(152)
<b>Balance at 31 March 2012</b>	119,725	(44,798)	6,304	258,239	339,470
Profit for the period	-	-	-	8,190	8,190
<u>Contributions by and distributions to owners</u>					
Employee Share Option Scheme - Equity compensation benefits	-	-	543	-	543
Purchase of treasury shares	-	(532)	-	-	(532)
Treasury shares reissued pursuant to employee share option plans	-	769	23	-	792
Dividends on ordinary shares	-	-	-	(19,824)	(19,824)
<b>Total transactions with owners in their capacity as owners</b>	-	237	566	(19,824)	(19,021)
<b>Balance at 30 June 2012</b>	119,725	(44,561)	6,870	246,605	328,639
Profit for the period	-	-	-	1,575	1,575
<u>Contributions by and distributions to owners</u>					
Employee Share Option Scheme - Equity compensation benefits	-	-	496	-	496
<b>Total transactions with owners in their capacity as owners</b>	-	-	496	-	496
<b>Balance at 30 September 2012</b>	119,725	(44,561)	7,366	248,180	330,710
Profit for the period	-	-	-	2,767	2,767
<u>Contributions by and distributions to owners</u>					
Employee Share Option Scheme - Equity compensation benefits	-	-	354	-	354
Treasury shares reissued pursuant to employee share option plans	-	276	7	-	283
<b>Total transactions with owners in their capacity as owners</b>	-	276	361	-	637
<b>Closing balance at 31 December 2012</b>	119,725	(44,285)	7,727	250,947	334,114

(iv) Statement of changes in equity of the Company for the 12 months ended 31 December 2011

Company	Attributable to owners of the Company				Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Accumulated profits S\$'000	
<b>Opening balance at 1 January 2011</b>	119,725	(34,040)	3,837	233,894	323,416
Loss for the period	-	-	-	(1,140)	(1,140)
<u>Contributions by and distributions to owners</u>					
Employee Share Option Scheme - Equity compensation benefits	-	-	369	-	369
Purchase of treasury shares	-	(9,777)	-	-	(9,777)
Treasury shares reissued pursuant to employee share option plans	-	436	20	-	456
<b>Total transactions with owners in their capacity as owners</b>	-	(9,341)	389	-	(8,952)
<b>Balance at 31 March 2011</b>	119,725	(43,381)	4,226	232,754	313,324
Loss for the period	-	-	-	(1,194)	(1,194)
<u>Contributions by and distributions to owners</u>					
Employee Share Option Scheme - Equity compensation benefits	-	-	559	-	559
Treasury shares reissued pursuant to employee share option plans	-	816	(6)	-	810
Dividends on ordinary shares	-	-	-	(29,811)	(29,811)
<b>Total transactions with owners in their capacity as owners</b>	-	816	553	(29,811)	(28,442)
<b>Balance at 30 June 2011</b>	119,725	(42,565)	4,779	201,749	283,688
Loss for the period	-	-	-	(3,508)	(3,508)
<u>Contributions by and distributions to owners</u>					
Employee Share Option Scheme - Equity compensation benefits	-	-	583	-	583
Treasury shares reissued pursuant to employee share option plans	-	23	-	-	23
<b>Total transactions with owners in their capacity as owners</b>	-	23	583	-	606
<b>Balance at 30 September 2011</b>	119,725	(42,542)	5,362	198,241	280,786
Profit for the period	-	-	-	56,850	56,850
<u>Contributions by and distributions to owners</u>					
Employee Share Option Scheme - Equity compensation benefits	-	-	531	-	531
Purchase of treasury shares	-	(1,693)	-	-	(1,693)
<b>Total transactions with owners in their capacity as owners</b>	-	(1,693)	531	-	(1,162)
<b>Closing balance at 31 December 2011</b>	119,725	(44,235)	5,893	255,091	336,474

**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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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 financial year ended 31 December 2012, there has been no increase in the issued and paid-up share capital of the Company.

#### Share Options

During the financial year ended 31 December 2012, 2,896,581 options lapsed, 469,716 options were forfeited and 1,452,500 options were exercised.

There are 22,302,055 options outstanding as at 31 December 2012 (31 December 2011: 18,754,000).

#### Treasury Shares

For the fourth quarter ended 31 December 2012, the Company has not purchased any shares to be held as treasury shares.

The number of treasury shares held by the Company as at 31 December 2012 is 61,473,500 (31 December 2011: 61,288,000).

**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.**

The total number of issued ordinary shares excluding treasury shares as at 31 December 2012 was 825,701,500 (31 December 2011: 825,887,000).

**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.**

During the financial year ended 31 December 2012, 1,452,500 treasury shares were transferred to employees upon the exercise of share options.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been reviewed or audited by the Company's 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 accounting policies have been consistently applied by the Group and the Company and are consistent with the audited financial statements as at 31 December 2011.



**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 new/ revised Financial Reporting Standards (“FRS”) and Interpretations of FRS (“INT FRS”) that are effective for annual periods beginning on or after 1 January 2012. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or amended FRS that are relevant to the Group:

Amendments to FRS 107	Disclosures – Transfers of Financial Assets
Amendments to FRS 12	Deferred Tax: Recovery of Underlying Assets

The adoption of the above FRS did not result in any substantial change to the Group’s accounting policies nor any significant impact 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:-**

- (a) Based on the weighted average number of ordinary shares on issue; and
- (b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Q4-12	Q4-11	YTD Q4-12	YTD Q4-11
Operating profit after exceptional items and tax before deducting non-controlling interests as a percentage of revenue	4.3%	2.2%	1.5%	3.7%
Operating profit after tax attributable to owners of the company as a percentage of issued capital and reserves at the end of the period	2.7%	1.6%	3.1%	7.6%
Earnings per ordinary share				
(a) Based on weighted average number of ordinary shares in issue (cents)	1.84	1.11	2.12	5.28
(b) On a fully diluted basis (cents)*	1.84	1.11	2.12	5.28

\*5,864,500 (4Q2011: Nil) share options granted to employees under the existing employee share option plan have been included in the calculation of diluted earnings per share (EPS). For 4Q2011, it is not meaningful to calculate the diluted EPS as the stock option exercise prices are above the market price.

Earnings per share have been computed based on the weighted average number of ordinary shares in issue during the period.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
- (a) current financial period reported on; and
- (b) immediately preceding financial year :

	Group		Company	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Net Asset Value per Ordinary Share based on issued share capital at the end of the period (in cents)	70.10	72.13	40.46	40.74

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

### **Revenue and Profitability Analysis**

2012 vs. 2011

2012 revenue decreased by 3.1% to S\$1,166.7 million compared to 2011 mainly due to lower sales volumes.

Gross profit decreased by 25.2% to S\$97.9 million mainly due to lower revenue, increased labor costs, increased start-up costs for new projects, increased depreciation as a result of higher capital expenditure, increased allowance for inventory obsolescence, partially offset by lower cost of materials resulted from change in product mix.

Total selling & distribution and administrative expenses increased by 8.4% to S\$85.8 million mainly due to higher staff costs and provision for warranty costs.

Net interest income decreased by 17.2% to S\$2.8 million mainly due to a decrease in net cash position.

Other expenses decreased by 38.2% to S\$5.9 million mainly due to minimal impairment loss on property, plant and equipment of S\$0.4 million (2011: S\$7.9 million). The decrease in other expenses was partially offset by the increase in net foreign exchange loss and loss on disposal of investment in a subsidiary. The higher net foreign exchanges loss of S\$6.3 million (2011: S\$3.5 million) arose mainly from depreciation of USD and RMB against SGD, and depreciation of USD against RMB. The Group recorded a higher net fair value gain on derivatives of S\$4.5 million (2011: S\$3.5 million), which was mainly due to the lower forward rate caused by depreciation of USD against RMB as compared with the contract rate.

Income tax expense decreased by 68.1% to S\$4.6 million mainly due to lower profits and tax credits in certain China's subsidiaries due to concessionary tax rates obtained in 2012 which are applicable for period starting from 2011 to 2013. The effective tax rate decreased to 20.4% (2011: 24.3%) mainly due to the concessionary tax rates mentioned above.

As a result of the above factors, the Group achieved net profit after tax of S\$18.0 million in 2012.

4Q2012 vs. 4Q2011

Revenue decreased 13.5% yoy to S\$365.0 million in 4Q2012 mainly due to lower sales volumes of existing projects and delays in projects' start up from existing and new customers.

Gross profit increased 14.6% yoy to S\$39.1 million in 4Q2012 despite lower revenue. The increase was mainly due to lower cost of materials resulted from change in product mix, partially offset by increased labor costs and increased depreciation as a result of higher capital.

Total selling & distribution and administrative expenses increased by 6.7% yoy to S\$25.3 million in 4Q2012. The increase was mainly due to higher staff costs and provision for warranty costs.

Net interest income decreased 95.8% yoy to S\$0.1 million in 4Q2012 mainly due to a decrease in net cash position.

Other expenses became an income of S\$1.3 million in 4Q2012 mainly due to the reversal of impairment loss on property, plant and equipment of S\$2.0 million (4Q2011: loss S\$8.5 million). The impairment loss was reversed upon the disposal of assets in conjunction with the cessation of the business operation in Hi-P Mexico plant. The decrease in other expenses was partially offset by the net foreign exchange loss totaling S\$1.8 million (4Q2011: gain S\$2.8 million), which arose mainly from depreciation of the USD against RMB. The Group recorded net fair value gain on derivatives of S\$2.6 million in 4Q2012 (4Q2011: S\$2.5 million), which mitigated the Group's net foreign exchange loss.

Income tax expense increased by 104.8% yoy to S\$3.8 million mainly due to higher profits, representing an effective tax rate of 19.5% (4Q2011: 16.3%).

As a result of the above factors, the Group achieved net profit after tax of S\$15.6 million in 4Q2012.

### **Cashflow Analysis**

Net cash generated from operating activities before working capital changes was S\$35.8 million in 4Q2012. Net cash flows used in operating activities in 4Q2012 amounted to S\$15.7 million.

Net cash used in investing activities was S\$37.7 million in 4Q2012, mainly due to net cash outflow for purchase of capital expenditure amounting to S\$38.4 million.

Net cash generated from financing activities was S\$12.8 million in 4Q2012, mainly due to proceeds from loans and borrowings amounting to S\$13.3 million.

### **Balance Sheet Analysis**

Property, plant and equipment increased by 28.0% from S\$284.4 million as at 31 December 2011 to S\$363.9 million as at 31 December 2012. The increase was mainly due to the total additions of S\$166.5 million incurred during the year ended 31 December 2012, which mainly consisted of machines and renovation for new factories, partially offset by the total depreciation of S\$69.7 million.

Inventories increased by 16.6% from S\$124.8 million as at 31 December 2011 to S\$145.5 million as at 31 December 2012 mainly due to an increase in hub arrangement by our customers.

Trade and other receivables increased by 12.0% from S\$293.3 million as at 31 December 2011 to S\$328.5 million as at 31 December 2012 mainly due to longer credit terms granted to customers.

Trade and other payables decreased by 10.7% from S\$311.4 million as at 31 December 2011 to S\$277.9 million as at 31 December 2012 mainly due to decrease in "other payables" resulted from the lower settlements of trade payable on behalf of China bank (refer to disclosure note 22 of financial statements for the year ended 31 December 2011). The decrease is partially offset by increase in payable to fixed assets creditors as a result of higher capital expenditure and increase in "trade payables".

The increase in current loans and borrowings (in USD) from S\$116.7 million as at 31 December 2011 to S\$142.2 million as at 31 December 2012 is for hedging purpose and general working capital purposes of our subsidiaries.

Cash and cash equivalents decreased from S\$339.7 million as at 31 December 2011 to S\$177.5 million as at 31 December 2012. Debt was S\$144.3 million, resulting in a net cash position of S\$33.2 million.

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

In the Group's 3Q2012 results announcement made on 1 November 2012, the Group guided as follows:

The Group expects higher revenue and profit in 4Q2012 as compared to 3Q2012.

The Group expects lower revenue and profit in FY2012 as compared to FY2011.

In line with our guidance, we achieved higher revenue and net profit in 4Q2012 as compared to 3Q2012. We recorded lower revenue and profit in FY2012 as compared to FY2011.

(S\$'000)	4Q2012	3Q2012	FY2012	FY2011
Revenue	364,966	271,657	1,166,741	1,203,909
Net profit after tax	15,552	2,983	17,953	44,960

**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.**

2013 is expected to see a modest growth in the global economy as recent economic data from the major economies have been encouraging. Furthermore, the massive monetary stimulus put in by the various governments over the past year is also expected to have a positive impact on growth.

The tablets and smartphones industry is expected to benefit from increased demand and the recovery in the global economy. Gartner, a renowned IT research firm, estimates that sales of smartphones and tablets will grow to 1.2 billion units in 2013, representing a growth rate of 46% from 2012.

However, the strong growth in the tablets and smartphones industry is likely to be moderated by intensifying price competition, compounded by a slew of newer products. These are expected to exert pricing pressures for many contract manufacturers, including Hi-P. In view of the volatility, the Group is adopting a conservative and prudent approach towards its expansion plans.

In the Group's announcement dated 8 January 2013, the Group announced its plans to reduce its investment in Nantong to S\$150m which will be incurred over the next few years as compared to the S\$300m to be invested in 2013. This is done with a view to managing the Group's business exposure and consolidating its operations at a measured pace.

The calibration of the expansion plans will allow the Group to grow its capabilities to support new potential projects, achieve a sustainable growth rate and more importantly better position the Group as a leading contract manufacturer in Asia.

Barring any unforeseen circumstances, the Group wishes to guide its performance as follows:

The Group expects similar revenue but a loss in 1Q2013 as compared to 1Q2012.

The Group expects higher revenue and profit in FY2013 as compared to FY2012.

## 11. Dividend

### (a) Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

Name of Dividend	:	First and Final Dividend
Dividend Type	:	Cash
Dividend Rate	:	1.2 cents per ordinary share
Tax rate	:	Exempt from tax (One-tier corporate tax system)
Total amount payable	:	\$ 9.908 million

### (b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend	:	First and Final Dividend
Dividend Type	:	Cash
Dividend Rate	:	2.4 cents per ordinary share
Tax rate	:	Exempt from tax (One-tier corporate tax system)
Total amount payable	:	\$19.800 million

### (c) Date payable

To be announced later.

### (d) Books closure date

To be announced later.

## 12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

## 13. Aggregate value of interested persons transactions entered into during the quarter ended 31 December 2012

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than \$100,000 and transactions conducted under the 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 \$100,000)
<b>Transaction for Purchases of Goods and Services</b> Moxel International Inc & its group of companies	\$637,025	-

No general mandate has been obtained from shareholders for interested persons transactions.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediate preceding year.**

**By Activities**

	<b>PPIM</b>	<b>MDF</b>	<b>Assembly</b>	<b>Eliminations</b>	<b>Consolidated</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>2012 December YTD</b>					
<b>Segment Revenue</b>					
Sales to external customers	559,942	44,163	562,636	-	1,166,741
Intersegmental sales	70,685	53,057	-	(123,742)	-
	<u>630,627</u>	<u>97,220</u>	<u>562,636</u>	<u>(123,742)</u>	<u>1,166,741</u>
Profit from operations	3,701	1	8,318	-	12,020
Interest income					6,789
Other income					13,306
Financial costs					(3,953)
Other expenses					(5,935)
Share of results of associates					325
Profit before tax					<u>22,552</u>
Tax expense					<u>(4,599)</u>
Profit for the year					<u><u>17,953</u></u>
Depreciation of property, plant and equipment	60,287	6,922	2,540		69,749
Other non-cash expenses	3,038	1	6,827		9,866

**Segment Information (Cont'd)****By Activities**

	<b>PPIM S\$'000</b>	<b>MDF S\$'000</b>	<b>Assembly S\$'000</b>	<b>Eliminations S\$'000</b>	<b>Consolidated S\$'000</b>
<b>2011 December YTD</b>					
<b>Segment Revenue</b>					
Sales to external customers	439,003	39,002	725,904	-	1,203,909
Intersegmental sales	56,742	-	-	(56,742)	-
	<u>495,745</u>	<u>39,002</u>	<u>725,904</u>	<u>(56,742)</u>	<u>1,203,909</u>
Profit from operations	34,468	9	17,110	-	51,587
Interest income					4,889
Other income					13,945
Financial costs					(1,465)
Other expenses					(9,599)
Share of results of associates					31
Profit before tax					<u>59,388</u>
Tax expense					(14,428)
Profit for the year					<u><u>44,960</u></u>
Depreciation of property, plant and equipment	32,891	6,866	19,730		59,487
Other non-cash expenses	6,828	2	3,389		10,219

## By Geographical Markets

	Segment Revenue	
	2012 S\$'000	2011 S\$'000
Asia	508,045	322,777
Europe	151,809	445,622
United States and other parts of Americas	506,887	435,510
	1,166,741	1,203,909

**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Note 8.

**16. A breakdown of the sales as follows:-**

	2012 S\$'000 Group	2011 S\$'000 Group	% Increase/ Decrease Group
(a) Sales reported for first half year	530,117	473,206	12%
(b) Operating (loss)/ profit after tax before deducting non-controlling interests reported for first half year	(581)	29,072	n.m.
(c) Sales reported for second half year	636,624	730,703	-13%
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	18,534	15,888	17%

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

**Total Annual Final Dividend**

	2012 (S\$'000)	2011 (S\$'000)
Ordinary	9,908	19,824



**18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive office or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.:-**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Yao Hsiao Kuang	66	Brother of Yao Hsiao Tung, Brother-in-law of Wong Huey Fang	Director, Supply Chain Management, responsible for conducting key commodities negotiations, and supplier and site sourcing audits for the Group. This position was first held with effect from 22 Nov 2012.	Prior to 22 Nov 2012, Mr Yao Hsiao Kuang held the position of Director, Strategic Supply Chain Management, where he was also responsible for the executing and supporting the establishment of strategies in supply chain, in addition to the existing duties.

**BY ORDER OF THE BOARD**

Mr Yao Hsiao Tung

Executive Chairman and Chief Executive Officer