

[Print this page](#)**[Third Quarter](#) * Financial Statement And Dividend Announcement**

* Asterisks denote mandatory information


Name of Announcer *	YHI INTERNATIONAL LIMITED
Company Registration No.	200007455H
Announcement submitted on behalf of	YHI INTERNATIONAL LIMITED
Announcement is submitted with respect to *	YHI INTERNATIONAL LIMITED
Announcement is submitted by *	Yuen Sou Wai
Designation *	Executive Director
Date & Time of Broadcast	12-Nov-2007 17:19:27
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The details of the announcement start here ...

For the Financial Period Ended *	30-09-2007
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Attachments:

 [YHIQ3FY07Results.pdf](#)
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YHI INTERNATIONAL LIMITED

Unaudited Third Quarter 2007 Financial Statement

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year

1(a)(i) CONSOLIDATED INCOME STATEMENT (3Q FY2007 vs 3Q FY2006)

	Group 01/07/07- 30/09/07 S\$ '000	Group 01/07/06 - 30/09/06 S\$ '000	Incr/(Decr) %
Sales	112,194	96,281	16.5%
Cost of sales	(86,716)	(73,030)	18.7%
Gross profit	25,478	23,251	9.6%
Other gains	128	137	(6.6%)
Expenses			
- Distribution	(8,263)	(6,704)	23.3%
- Administrative	(9,651)	(7,576)	27.4%
- Finance	(1,353)	(1,003)	34.9%
Share of profit of associated companies	785	6	12983.3%
Profit before income tax	7,124	8,111	(12.2%)
Income tax expense	(875)	(1,761)	(50.3%)
Net profit	6,249	6,350	(1.6%)
Attributable to:			
Equity holders of the Company	5,728	6,011	(4.7%)
Minority interests	521	339	53.7%
	6,249	6,350	(1.6%)

NOTES TO CONSOLIDATED INCOME STATEMENT (3Q FY2007 vs 3Q FY2006)

	Group 01/07/07- 30/09/07 S\$ '000	Group 01/07/06 - 30/09/06 S\$ '000	Incr/(Decr) %
Interest income	63	71	(11.3%)
Interest on borrowings	(1,353)	(1,003)	34.9%
Depreciation	(2,660)	(1,876)	41.8%
Written back/(Allowance for) impairment of doubtful receivables and bad debts written off	331	(246)	(234.6%)
Written back of slow-moving and obsolete inventories	232	632	(63.3%)
Net foreign exchange loss	(590)	(49)	1104.1%
Share of profit of associated companies	785	6	12983.3%
Gain/(loss) on disposal of property, plant and equipment	56	(40)	(240.0%)

1(a)(ii) CONSOLIDATED INCOME STATEMENT (YTD SEP FY2007 vs YTD SEP FY2006)

	Group 01/01/07- 30/09/07 S\$'000	Group 01/01/06- 30/09/06 S\$'000	Incr/(Decr) %
Sales	316,705	294,011	7.7%
Cost of sales	(245,076)	(225,777)	8.5%
Gross profit	71,629	68,234	5.0%
Other gains	1,086	1,492	(27.2%)
Expenses			
- Distribution	(23,002)	(19,779)	16.3%
- Administrative	(26,102)	(24,335)	7.3%
- Finance	(3,398)	(2,373)	43.2%
Share of profit of associated companies (see * below)	2,319	5,396	(57.0%)
Profit before income tax	22,532	28,635	(21.3%)
Income tax expense	(4,100)	(5,232)	(21.6%)
Net profit	18,432	23,403	(21.2%)
Attributable to:			
Equity holders of the Company	17,316	22,083	(21.6%)
Minority interests	1,116	1,320	(15.5%)
	18,432	23,403	(21.2%)

NOTES TO CONSOLIDATED INCOME STATEMENT (YTD SEP FY2007 vs YTD SEP FY2006)

	Group 01/01/07- 30/09/07 S\$'000	Group 01/01/06- 30/09/06 S\$'000	Incr/(Decr) %
Interest income	235	256	(8.2%)
Interest on borrowings	(3,398)	(2,373)	43.2%
Depreciation	(7,478)	(5,144)	45.4%
Allowance for impairment of doubtful receivables and bad debts written off	(545)	(687)	(20.7%)
Written down of slow-moving and obsolete inventories	(649)	(125)	419.2%
Net foreign exchange loss	(632)	(306)	106.5%
*Share of profit of associated companies			
- Recognition of negative goodwill	-	5,390	NM
- Share of current year profit	2,319	6	38550.0%
Gain on disposal of property, plant and equipment	154	986	(84.4%)

NM – Not meaningful

1(b)(i) A balance sheet (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year

BALANCE SHEETS

	Group 30/09/07 S\$ '000	Group 31/12/06 S\$ '000	Company 30/09/07 S\$ '000	Company 31/12/06 S\$ '000
Current assets				
Cash and cash equivalents	18,472	19,890	280	529
Trade and other receivables	90,587	66,627	37,884	47,541
Inventories	81,634	67,746	-	-
Derivatives	-	283	-	-
Other current assets	9,861	6,129	29	31
	200,554	160,675	38,193	48,101
Non-current assets				
Financial assets, available-for-sale	6,961	5,146	-	-
Investment in associated companies	16,493	14,174	-	-
Investment in subsidiaries	-	-	66,226	66,226
Property, plant and equipment	87,362	83,512	397	531
Intangible assets	5,303	5,303	-	-
Deferred income tax assets	2,853	2,862	-	-
	118,972	110,997	66,623	66,757
Total assets	319,526	271,672	104,816	114,858
Current liabilities				
Trade and other payables	58,235	54,091	555	4,478
Current income tax liabilities	2,683	3,398	567	1,259
Borrowings	87,327	53,267	-	-
Derivatives	-	210	-	-
	148,245	110,966	1,122	5,737
Non-current liabilities				
Borrowings	5,685	6,159	-	-
Deferred income tax liabilities	1,267	1,784	-	-
	6,952	7,943	-	-
Total liabilities	155,197	118,909	1,122	5,737
Net assets	164,329	152,763	103,694	109,121
Capital and reserves attributable to the Company's equity holders				
Share capital	77,001	77,001	77,001	77,001
Other reserves	980	(290)	-	-
Retained earnings	81,691	71,390	26,693	32,120
	159,672	148,101	103,694	109,121
Minority interests	4,657	4,662	-	-
Total equity	164,329	152,763	103,694	109,121

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

Amount repayable in one year or less, or on demand

Group As at 30/09/07		Group As at 31/12/06	
Secured S\$ '000	Unsecured S\$ '000	Secured S\$ '000	Unsecured S\$ '000
87,327	-	53,267	-

Amount repayable after one year

Group As at 30/09/07		Group As at 31/12/06	
Secured S\$ '000	Unsecured S\$ '000	Secured S\$ '000	Unsecured S\$ '000
5,685	-	6,159	-

Details of any collateral

The Group's borrowings are secured by the following:-

- (i) a first legal mortgage on the subsidiaries' freehold and leasehold properties;
- (ii) a first legal charge on office equipment, plant and machinery of a subsidiary;
- (iii) a first and floating charge on all the assets of a subsidiary;
- (iv) corporate guarantee from the Company; and
- (v) banker's guarantees, up to S\$13.8 million (2006: S\$11.6 million), given as security to banks which granted banking facilities to certain subsidiaries. The banker's guarantees are in turn secured by a first and floating charge on all the assets of a subsidiary as referred to in paragraph (iii) above.

1(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year

1(c)(i) CONSOLIDATED CASH FLOW STATEMENT (3Q FY2007 vs 3Q FY2006)

	Group 01/07/07- 30/09/07 S\$ '000	Group 01/07/06 - 30/09/06 S\$ '000
Cash flows from operating activities		
Net profit	6,249	6,350
Adjustments for:		
Income tax	875	1,761
Depreciation of property, plant and equipment	2,660	1,876
Interest expense	1,353	1,003
Interest income	(63)	(71)
(Gain)/loss on disposal of property, plant and equipment	(56)	40
Share of profit of associated companies	(785)	(6)
Exchange differences	269	565
Operating cash flow before working capital changes	<u>10,502</u>	<u>11,518</u>
Changes in operating assets and liabilities:		
Trade and other receivables	(3,626)	513
Inventories	(5,401)	(2,160)
Other current assets	(1,437)	2,155
Trade and other payables	(4,609)	(2,110)
Cash (used in)/generated from operations	<u>(4,571)</u>	<u>9,916</u>
Interest received	63	71
Income tax paid	(1,825)	(2,073)
Net cash (used in)/from operating activities	<u>(6,333)</u>	<u>7,914</u>
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	1,794	-
Purchase of property, plant and equipment	(2,979)	(7,859)
Acquisition of financial assets, available-for-sale	(1,434)	(1,371)
Net cash used in investing activities	<u>(2,619)</u>	<u>(9,230)</u>
Cash flows from financing activities		
Interest paid	(1,324)	(1,003)
Proceeds from/(repayment of) trust receipts loans	1,337	(3,182)
Proceeds from short-term bank loans	2,356	193
Repayments of long-term bank loans	(1,261)	(177)
Repayments of finance lease liabilities	(87)	(77)
Dividend paid to minority interest	(572)	-
Net cash from/(used in) financing activities	<u>449</u>	<u>(4,246)</u>
Net decrease in cash and cash equivalents held	(8,503)	(5,562)
Cash and cash equivalents at the beginning of the financial period	24,260	23,377
Effects of exchange rate changes on cash and cash equivalents	(207)	8
Cash and cash equivalents at the end of the financial period	<u>15,550</u>	<u>17,823</u>

Explanatory Notes:

Cash and cash equivalents comprise:-

	Group 01/07/07- 30/09/07 S\$ '000	Group 01/07/06 - 30/09/06 S\$ '000
Cash and bank balances	18,472	19,095
Less: Bank overdrafts	(2,922)	(1,272)
	<u>15,550</u>	<u>17,823</u>

1(c)(ii) CONSOLIDATED CASH FLOW STATEMENT (YTD SEP FY2007 vs YTD SEP FY2006)

	Group 01/01/07- 30/09/07 S\$ '000	Group 01/01/06 - 30/09/06 S\$ '000
Cash flows from operating activities		
Net profit	18,432	23,403
Adjustments for:		
Income tax	4,100	5,232
Depreciation of property, plant and equipment	7,478	5,144
Interest expense	3,398	2,373
Interest income	(235)	(256)
Gain on disposal of property, plant and equipment	(154)	(986)
Share of profit of associated companies	(2,319)	(5,396)
Changes in fair values of derivatives	73	39
Exchange differences	(6)	(298)
Operating cash flow before working capital changes	<u>30,767</u>	<u>29,255</u>
Changes in operating assets and liabilities:		
Trade and other receivables	(23,960)	(10,164)
Inventories	(13,888)	1,703
Other current assets	(3,732)	(6,940)
Trade and other payables	5,659	3,653
Cash (used in)/generated from operations	<u>(5,154)</u>	<u>17,507</u>
Interest received	235	256
Income tax paid	(5,309)	(5,445)
Net cash (used in)/from operating activities	<u>(10,228)</u>	<u>12,318</u>
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	2,063	2,269
Purchase of property, plant and equipment	(13,861)	(28,883)
Acquisition of financial assets, available-for-sale	(1,815)	(1,371)
Acquisition of investments in associated companies	-	(8,643)
Net cash used in investing activities	<u>(13,613)</u>	<u>(36,628)</u>
Cash flows from financing activities		
Interest paid	(3,333)	(2,365)
Proceeds from trust receipts loans	6,919	5,873
Proceeds from short-term bank loans	27,782	11,315
(Repayments of)/proceeds from long-term bank loans	(2,866)	6,799
Repayments of finance lease liabilities	(165)	(278)
Dividends paid to equity holders of the Company	(7,015)	(5,845)
Dividends paid to minority interest	(572)	(476)
Net cash from financing activities	<u>20,750</u>	<u>15,023</u>
Net decrease in cash and cash equivalents held	(3,091)	(9,287)
Cash and cash equivalents at the beginning of the financial period	18,568	27,596
Effects of exchange rate changes on cash and cash equivalents	73	(486)
Cash and cash equivalents at the end of the financial period	<u>15,550</u>	<u>17,823</u>

Explanatory Notes:

Cash and cash equivalents comprise:-

	Group 01/01/07- 30/09/07 S\$ '000	Group 01/01/06 - 30/09/06 S\$ '000
Cash and bank balances	18,472	19,095
Less: Bank overdrafts	(2,922)	(1,272)
	<u>15,550</u>	<u>17,823</u>

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

STATEMENT OF CHANGES IN EQUITY

	Share capital S\$ '000	Other reserves S\$ '000	Retained earnings S\$ '000	Minority interests S\$ '000	Total S\$ '000
The Group					
Balance at 1 January 2007	77,001	(290)	71,390	4,662	152,763
Gains and losses recognized directly in equity – Currency translation differences	-	1,270	-	(549)	721
Net profit	-	-	17,316	1,116	18,432
Total recognised gains	-	1,270	17,316	567	19,153
Dividend relating to 2006 paid	-	-	(7,015)	(572)	(7,587)
Balance at 30 September 2007	77,001	980	81,691	4,657	164,329

	Share capital S\$ '000	Other reserves S\$ '000	Retained earnings S\$ '000	Minority interests S\$ '000	Total S\$ '000
The Group					
Balance at 1 January 2006	77,001	3,040	49,861	3,410	133,312
Losses recognized directly in equity – Currency translation differences	-	(2,386)	-	(94)	(2,480)
Net profit	-	-	22,083	1,320	23,403
Total recognised gains	-	(2,386)	22,083	1,226	20,923
Dividend relating to 2005 paid	-	-	(5,845)	(476)	(6,321)
Transfer to other reserves	-	5	(5)	-	-
Balance at 30 September 2006	77,001	659	66,094	4,160	147,914

STATEMENT OF CHANGES IN EQUITY

	Share capital S\$ '000	Retained earnings S\$ '000	Total S\$ '000
The Company			
Balance at 1 January 2007	77,001	32,120	109,121
Net profit	-	1,588	1,588
Dividend relating to 2006 paid	-	(7,015)	(7,015)
Balance at 30 September 2007	77,001	26,693	103,694

	Share capital S\$ '000	Retained earnings S\$ '000	Total S\$ '000
The Company			
Balance at 1 January 2006	77,001	22,455	99,456
Net profit	-	571	571
Dividend relating to 2005 paid	-	(5,845)	(5,845)
Balance at 30 September 2006	77,001	17,181	94,182

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 or 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 was no change in the Company's number of shares since 31 December 2006. The share capital of the Company as at 30 September 2007 was 584,591,628 ordinary shares.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2006.

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

Not applicable.

6. Earnings per ordinary share of the Group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

EARNINGS PER SHARE

	Group 01/07/07 - 30/09/07	Group 01/07/06 - 30/09/06	Group 01/01/07 - 30/09/07	Group 01/01/06 - 30/09/06
(a) Based on the number of ordinary shares on issue (cents)	0.98	1.03	2.96	3.78
(b) On fully diluted basis (cents)	NA	NA	NA	NA

NA – Not Applicable

- (i) The Group earnings per share for current and preceding periods are based on the actual number of shares in issue of 584,591,628 ordinary shares.
- (ii) Diluted earnings per share have not been calculated, as no diluting events existed during these periods. No share options were granted to any employees during these periods.

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 period reported on and (b) immediately preceding financial year

NET ASSET VALUE PER SHARE

	Group 30/09/07	Group 31/12/06	Company 30/09/07	Company 31/12/06
Net asset value per ordinary share (cents)	27.31	25.33	17.74	18.67

The Group and Company Actual net asset value per share as at 30 September 2007 and as at 31 December 2006 are based on the actual number of shares in issue of 584,591,628 ordinary shares.

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on

REVIEW OF THIRD QUARTER FINANCIAL RESULTS (3Q FY 2007 VS 3Q FY 2006)

The Group's turnover for 3Q of FY2007 of S\$112.2 million was S\$15.9 million or 16.5% higher than the S\$96.3 million recorded in 3Q of FY2006.

Turnover from the manufacturing business increased by S\$11.4 million or 35.1% from S\$32.5 million in 3Q of FY2006 to S\$43.9 million in 3Q of FY2007. The increase was primarily due to increased output from additional production capacity in Suzhou, PRC.

Turnover from the distribution business increased by S\$4.5 million or 7.1% from S\$63.8 million in 3Q of FY2006 to S\$68.3 million in 3Q of FY2007.

The increase in distribution and administrative expenses were primarily due to higher fuel and carriage charges, together with increased expenses incurred in promotional activities and additional staff costs in our new subsidiaries previously not included in FY2006. The increase in finance expenses in 3Q of FY2007 as compared to the same period of FY2006 was attributable to higher interest expenses incurred from bank borrowings to fund capital expenditure.

Total Group's gross profit margin in 3Q of FY2007 decreased by about 1.4% as compared to 3Q of FY2006 attributable to lower gross margin from manufacturing business which was mainly affected by higher aluminium prices.

The increase in share of associate profit was primarily due to higher profit contribution from O.Z. S.p.A.

Compared with same period last year, lower tax expenses were incurred attributable to tax recoverable by certain subsidiaries.

The Group's profit after taxation and minority interests decreased by approximately S\$0.3 million or 4.7% from S\$6.0 million in 3Q of FY2006 to S\$5.7 million in 3Q of FY2007.

REVIEW OF NINE MONTH YEAR-TO-DATE FINANCIAL RESULTS AND FINANCIAL POSITION (YTD SEP FY2007 VS YTD SEP FY2006)

The Group's turnover of S\$316.7 million for the first 9 months of FY2007 was S\$22.7 million or 7.7% higher than the S\$294.0 million recorded in first 9 months of FY2006.

Turnover from the manufacturing business increased by approximately S\$28.9 million or 33.4% from S\$86.4 million in the first 9 months of FY2006 to S\$115.3 million in the first 9 months of FY2007, attributable to increased output from additional production capacity in Suzhou, PRC.

Turnover from the distribution business decreased by approximately S\$6.2 million or 3.0% from S\$207.6 million in the first 9 months of FY2006 to S\$201.4 million in the first 9 months of FY2007. The decrease was primarily due to exclusion of Yokohama tyre sales in PRC as a result of formation of a joint venture entity in which the Group has a 49% stake.

The increase in distribution and administrative expenses were primarily due to additional operating costs incurred in new subsidiaries previously not included in 2006. The increase in finance expense was primarily due to higher bank borrowings to fund our expansion projects.

Other gains decreased by approximately S\$0.4 million or 27.2% from S\$1.5 million in first 9 months of FY2006 to S\$1.1 million in first 9 months of FY2007. The decrease was mainly due to the one-time gain in disposal of property recorded in FY2006.

Share of associate profit decreased by approximately S\$3.1 million primarily due to the recognition of the one-time gain in negative goodwill effect of S\$5.4 million, arising from the acquisition of our associated company recorded in FY2006.

Profit after taxation and minority interests decreased by approximately S\$4.8 million or 21.6% to S\$17.3 million in the first 9 months of FY2007 as compared to S\$22.1 million in the corresponding period in FY2006. Excluding the recognition of the one-time gain in negative goodwill effect of S\$5.4 million recorded in FY2006, Group's profit attributable to equity holders would have increased by S\$0.6 million or 3.6%.

Total current assets increased by approximately S\$39.9 million mainly due to increase in receivables of approximately S\$24.0 million, increase in other current assets of approximately S\$3.7 million, and increase of S\$13.9 million in inventories together with a decrease of S\$1.4 million in cash. The increase in receivables was primarily due to timing difference in collections and trade receivables remained similar to Q2 at about 78 days on Debtors' turnover. The increase in inventories was primarily due to higher stockholdings in view of price increases from suppliers. The increase in other current assets was primarily related to prepayment of mould expenditures for our manufacturing business.

The increase in available-for-sale financial assets of approximately S\$1.8 million was due to additional investment in Hangzhou Yokohama Tire Co Ltd.

The increase in investment in associated companies of about S\$2.3 million was primarily due to share of profit contributed by our associated company, O.Z. S.p.A.

The increase in current liabilities of about S\$37.3 million was primarily due to increase in payables of approximately S\$4.1 million from higher trading activities and an increase of about S\$34.0 million in current bank borrowings to fund capital expenditure as well as for working capital purposes.

Cash flow from financing activities was utilised adequately to fund most of the operating and investing activities.

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

There is no forecast or prospect statement previously disclosed.

10. A commentary at the date of the announcement of the 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

Despite price increases from various suppliers, our distribution business is expected to remain steady in most operations where the Group has geographical presence.

Global aluminum prices remained volatile. If the aluminum prices continue to remain high, it will have an adverse impact on gross margins in our manufacturing business.

To mitigate the increase in production cost, our manufacturing factories are currently embarking on various productivity measures through better production processes and technologies.

Our Suzhou factory in PRC is on track to operate with 6 production lines. However, our Sepang factory in Malaysia is still facing operational challenges and it is expected to be mitigated only when the second line is put in place in 2008.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

None

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None

(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 recommended for the period ended 30 September 2007.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. 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 immediately preceding year

Not applicable to Q1, Q2, & Q3 results.

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

Not applicable to Q1, Q2, & Q3 results.

15. A breakdown of sales

Not applicable to Q1, Q2, & Q3 results.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Latest Full Year S\$ '000	Previous Full Year S\$ '000
Ordinary	-	-
Preference	-	-
Total:	-	-

BY ORDER OF THE BOARD

Yuen Sou Wai
Executive Director
12/11/2007

Submitted by Yuen Sou Wai, Executive Director on 12/11/2007 to the SGX.

YHI INTERNATIONAL LIMITED

Statement Pursuant to Rule 705(4) of the Listing Manual of the Singapore Exchange Securities Trading Limited

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of YHI International Limited for the quarter ended 30 September 2007, to be false or misleading in any material aspect.

On Behalf of the Board of Directors



Tay Tian Hoe Richard
Managing Director



Yuen Sou Wai
Executive Director & CFO