



Stamford Tyres Corporation Ltd

19 Lok Yang Way Jurong Singapore 628635 Tel (65)6268 3111 Fax (65)6264 0148 /6264 4708

Email stcl@stamfordtyres.com

RCB Reg. No.: 198904416M

RESPONSE TO QUERY FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST") FULL YEAR RESULTS FOR THE YEAR ENDED 30 APRIL 2012 ("FULL YEAR RESULTS")

The Board of Directors of Stamford Tyres Corporation Ltd ("the Company") wishes to provide the following information in response to SGX-ST's query on 27 June 2012 with regard to the Company's financial results for the full year ended 30 April 2012:-

Question

As reflected in the balance sheet, we note that "Associated company" under non-current assets decreased from \$6.08 million as at 30 April 2011 to \$233,000 as at 30 April 2012. Please explain the reasons for the decrease.

Company's reply

As per the announcements made on SGX on 30 March 2012 and 18 May 2012, the Group disposed off its interest in an associated company - SRITP Ltd - subsequent to financial year-end. Per the relevant accounting standards, the Group was therefore required to reclassify the consolidated carrying value of its investment in SRITP Ltd from non-current assets to "associated company held for sale" under current assets. This resulted in the decrease in the non-current assets amount.

Question

As reflected in the cash flow statement – Cash flows from investing activities, the Group purchased property, plant and equipment amounting to \$5.67 million for the 12-month period ended 30 April 2012. Please advise the nature of such property, plant and equipment.

Company's reply

These purchases mainly pertain to the acquisition of a new property for a retail megamart in Singapore and purchases of moulds used in the production of our proprietary brand tyres and rims during the year.

Question

We refer to Section 9 of the announcement, which requires disclosure of any variance between any forecast/prospect statement previously disclosed and the actual results. We note that in the Company's results announcement for the third quarter ended 31 January 2012, the Company stated that "... the Group expects net profit after tax for FY2012 to be lower than that in FY2011" and "... the Group is confident of a profitable 4QFY12 and remains cautiously optimistic of its long-term growth prospects". The Company has stated "Not applicable" in Section 9 of the FY2012 results. Please provide a revised statement under Section 9 to state whether there is any variance between the statements disclosed previously and the actual results.

Company's reply

There is no material variance between forecast/prospect statement previously disclosed and the actual results. The Group expected lower net profit after tax for FY 2012 compared to FY2011.

By Order of the Board

Lo Swee Oi
Company Secretary

28 June 2012