

**ASTI HOLDINGS LIMITED**Company No. 199901514C
(Incorporated in the Republic of Singapore)**Results For The Financial Period Ended 31 March 2010
Unaudited Financial Statements and Dividend Announcement**

The Directors are pleased to make the following announcement of the unaudited results for the financial period ended 31 Mar 2010

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

	Group		
	First Quarter Ended		
	S\$'000		%
	31-3-10	31-3-09	Change
Revenue	113,641	92,253	23%
Cost of sales	(91,734)	(80,591)	14%
Gross profit	21,907	11,662	88%
Other income	181	236	(23%)
Marketing and distribution	(5,181)	(6,010)	(14%)
Research and development	(1,331)	(1,635)	(19%)
Administrative expenses	(7,593)	(9,117)	(17%)
Other net operating (costs)/gains	(358)	887	NM
Operating expenses	(14,463)	(15,875)	(9%)
Operating profit/(loss)	7,625	(3,977)	NM
Finance costs, net	(1,087)	(1,333)	(18%)
Exceptional Items	204	-	NM
Share of results of associates, net of tax	(13)	1	NM
Profit/(loss) before tax	6,729	(5,309)	NM
Income tax expense	(1,486)	(201)	639%
Net profit/(loss) for the period	5,243	(5,510)	NM
Attributable to :			
Owners of the parent	5,227	(4,821)	NM
Minority interests	16	(689)	NM
	5,243	(5,510)	NM

NM : Not meaningful



Results For The Financial Period Ended 31 March 2010
Unaudited Financial Statements and Dividend Announcement

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

	Group		Company	
	S\$'000		S\$'000	
	31-3-10	31-12-09	31-3-10	31-12-09
Non-current Assets				
Intangible assets	12,879	13,135	88	88
Property, plant and equipment	28,221	28,371	24	25
Investments in subsidiaries	-	-	52,385	52,385
Investments in associates	-	13	5,170	5,170
Investment securities	2,663	2,613	1,294	1,237
Other financial asset	-	-	-	-
Deferred tax assets	53	53	-	-
	43,816	44,185	58,961	58,905
Current Assets				
Inventories	44,663	46,647	-	-
Other receivables and prepayments	7,525	7,081	1,169	957
Amounts due from subsidiaries	-	-	10,762	11,994
Amounts due from associates	29,785	29,968	28,883	29,118
Trade receivables	108,750	97,893	-	-
Cash and cash equivalents	38,913	43,145	846	1,438
Pledged fixed deposits	1,982	2,000	-	-
Assets classified as held for sale	348	348	-	-
Assets of disposal group classified as held for sale	-	13,831	-	-
	231,966	240,913	41,660	43,507
Total Assets	275,782	285,098	100,621	102,412
Equity Attributable to Owners of the Parent				
Share capital	127,359	127,359	127,359	127,359
Treasury shares	(6,602)	(6,602)	(6,602)	(6,602)
Accumulated losses	(20,913)	(26,140)	(62,559)	(62,618)
Foreign currency translation reserve	(5,521)	(5,652)	-	-
Fair value reserve	114	58	114	58
Share options reserve	1,415	1,415	1,415	1,415
Capital reserve	(2,593)	(2,593)	(1,807)	(1,807)
Reserve of disposal group classified as held for sale	-	153	-	-
	93,259	87,998	57,920	57,805
Minority interests	12,083	12,165	-	-
Total Equity	105,342	100,163	57,920	57,805
Non-current Liabilities				
Deferred tax liabilities	1,377	1,468	76	76
Lease creditors	1,416	735	-	-
Long term payables	567	529	-	-
Amounts due to financial institutions	4,518	4,971	-	-
	7,878	7,703	76	76
Current Liabilities				
Provision	544	539	-	-
Income tax payable	3,798	2,597	352	352
Convertible loans	775	778	-	-
Amounts due to financial institutions	57,238	56,251	11,875	14,750
Bills payable	23,373	21,598	-	-
Payables and accruals	76,834	90,934	2,598	3,206
Amounts due to subsidiaries	-	-	27,800	26,223
Liabilities of disposal group classified as held for sale	-	4,535	-	-
	162,562	177,232	42,625	44,531
Total Liabilities	170,440	184,935	42,701	44,607
Total Equity and liabilities	275,782	285,098	100,621	102,412



Results For The Financial Period Ended 31 March 2010 Unaudited Financial Statements and Dividend Announcement

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

Amount repayable in one year or less, or on demand

31-3-10		31-12-09	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
888	57,125	890	56,139

Amount repayable after one year

31-3-10		31-12-09	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
947	3,571	1,166	3,805

Details of any collateral

Bank term loans with aggregate amount of \$1,835,000 (31/12/09: \$2,056,000) of subsidiaries are secured on the land and buildings of the subsidiaries.



Results For The Financial Period Ended 31 March 2010
Unaudited Financial Statements and Dividend Announcement

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

	Group	
	31-3-10 S\$'000	31-3-09 S\$'000
Cashflow from operating activities		
Profit/(loss) before income tax	6,729	(5,309)
Adjustment for:-		
Depreciation and amortisation	2,351	3,099
(Gain)/loss on disposal of property, plant and equipment	(170)	22
Property, plant and equipment written off	35	16
(Gain)/loss on revaluation of derivative financial assets	(99)	201
Share of results of associated companies, net of tax	13	(1)
Share options expenses	-	60
Interest income	(19)	(38)
Interest expense	844	1,041
Operating cash flows before reinvestment in working capital	9,684	(909)
(Increase)/decrease in debtors	(10,688)	2,944
Decrease in stocks	1,329	6,114
(Decrease)/Increase in creditors	(12,631)	1,250
Increase/(decrease) in provisions	5	(29)
Changes in amounts due from/to related companies	183	(175)
Effects of exchange rate changes	(271)	690
Cash (used in)/generated from operations	(12,389)	9,885
Interest paid	(844)	(1,041)
Interest received	19	38
Income tax paid	(311)	(2,154)
Income tax refund	50	1,059
Cash (used in)/generated from operating activities	(13,475)	7,787
Cashflow from investing activities		
Proceeds from disposals of property, plant and equipment	122	63
Purchase of property, plant and equipment	(198)	(389)
Proceeds from disposal of businesses	7,034	-
Project development expenditure	(30)	(151)
Net cash generated from/(used in) investing activities	6,928	(477)
Cashflow from financing activities		
Payment of lease creditors	(187)	(251)
Net increase/(repayment) of bank loans	2,590	(14,002)
Decrease in fixed deposits pledged	18	-
Net cash provided by/(used in) financing activities	2,421	(14,253)
Net decrease in cash and cash equivalents	(4,126)	(6,943)
Cash and cash equivalents at 1 January	43,145	52,723
Effect of exchange rate changes on cash and cash equivalents	(106)	1,838
Cash and cash equivalents at 31 March	38,913	47,618



Results For The Financial Period Ended 31 March 2010
Unaudited Financial Statements and Dividend Announcement

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

Group	Attributable to Members of the Company								Equity attributable to owners of parent, Total	Minority interests	Equity Total
	Share Capital	Treasury shares	Share options reserves	Fair value reserves	Capital reserves	Foreign currency translation reserve	Reserve classified as held for sale	Accumulated losses			
	(Non-distributable)							Distributable			
For The First Quarter Ended 31 Mar 2010	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jan'10	127,359	(6,602)	1,415	58	(2,593)	(5,652)	153	(26,140)	87,998	12,165	100,163
Total comprehensive income for the period	-	-	-	56	-	131	(153)	5,227	5,261	(82)	5,179
Balance as at 31 Mar'10	127,359	(6,602)	1,415	114	(2,593)	(5,521)	-	(20,913)	93,259	12,083	105,342
For The First Quarter Ended 31 Mar 2009											
Balance as at 1 Jan'09	127,359	(11,256)	2,477	-	(786)	(5,009)	-	(23,752)	89,033	16,017	105,050
Total comprehensive income for the period	-	-	-	158	-	1,817	-	(4,821)	(2,846)	(337)	(3,183)
Grant of share options	-	-	60	-	-	-	-	-	60	-	60
Reissue of treasury shares	-	4,587	-	-	(1,784)	-	-	-	2,803	-	2,803
Balance as at 31 Mar'09	127,359	(6,669)	2,537	158	(2,570)	(3,192)	-	(28,573)	89,050	15,680	104,730

Company	Share Capital	Treasury shares	Share options reserves	Fair value reserves	Capital reserves	Accumulated losses	Total
	(Non-distributable)					Distributable	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
For The First Quarter Ended 31 Mar 2010							
Balance as at 1 Jan'10	127,359	(6,602)	1,415	58	(1,807)	(62,618)	57,805
Total comprehensive income for the period	-	-	-	56	-	59	115
Balance as at 31 Mar'10	127,359	(6,602)	1,415	114	(1,807)	(62,559)	57,920
For The First Quarter Ended 31 Mar 2009							
Balance as at 1 Jan'09	127,359	(11,256)	2,477	-	-	(53,761)	64,819
Total comprehensive income for the period	-	-	-	158	-	1,646	1,804
Grant of share options	-	-	60	-	-	-	60
Reissue of treasury shares	-	4,587	-	-	(1,783)	-	2,804
Balance as at 31 Mar'09	127,359	(6,669)	2,537	158	(1,783)	(52,115)	69,487



Results For The Financial Period Ended 31 March 2010 Unaudited Financial Statements and Dividend Announcement

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 well as the number of shares held as treasury shares, if any, against the 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.

No ordinary shares were issued during the period.

Under the ASTI Share Option Scheme (2001), options for 21,053,000 unissued ordinary shares were outstanding as at 31 March 2010 (31 March 2009: 27,311,000 unissued ordinary shares).

See below for details relating to the number of shares held as treasury shares.

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.

	Group & Company	
	31-3-10	31-12-09
Total number of issued shares	572,844,427	572,844,427
Less : Treasury shares	(36,811,855)	(36,811,855)
Total number of issued shares (excluding treasury shares)	536,032,572	536,032,572

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

No treasury share was sold, transferred, disposed, cancelled and/or used during the period.

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

The figures have not been audited or 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 adopted the revised FRS 103 Business Combinations and the amendments to FRS 27 Consolidated and Separate Financial Statements for the financial period ended 31 March 2010. The revised standards are effective for annual periods beginning on or after 1 July 2009.

The revised FRS 103 introduces a number of changes in the accounting for business combinations occurring after 1 July 2009. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 27 require that a change in the ownership interest of a subsidiary (without loss of control) to be accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to gains or losses. Furthermore, the Amendments to FRS 27 changes the way in which losses incurred by subsidiaries as well as the losses over control of subsidiaries are accounted for.

As a result of the abovementioned revisions, other consequential amendments were made to FRS 7 Statement of Cash Flows, FRS 12 Income Taxes, FRS 21 The Effects of Changes in Foreign Exchange Rates, FRS 28 Investments in Associates and FRS 31 Interests in Joint Ventures.

The abovementioned changes will have no impact on the current financial position and results of the Group. However, these changes will affect future acquisitions or loss of control and transactions with minority interests.

Saved as the changes disclosed above, the Group has applied accounting policies and methods of computation in the financial statements for the period ended 31 March 2010, consistent with those of the audited financial statement as at 31 December 2009.



Results For The Financial Period Ended 31 March 2010

Unaudited Financial Statements and Dividend Announcement

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**

See paragraph 4 above.

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**

	Group	
	First Quarter Ended	
	31-3-10	31-3-09
Earning/(loss) per share after deducting any provision for preference dividends:-		
a) Based on weighted average number of ordinary shares in issue	0.98 cents	(0.92) cents
Weighted average number of shares	536,032,572	526,541,286
b) On a fully diluted basis	0.98 cents	(0.92) cents
Adjusted weighted average number of shares	536,032,572	526,541,286

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

	Group		Company	
	31-3-10	31-12-09	31-3-10	31-12-09
Net assets value per ordinary share	17.40 cts	16.42 cts	10.81 cts	10.78 cts
Number of ordinary shares at end of financial period	536,032,572	536,032,572	536,032,572	536,032,572

The number of ordinary shares used in the computation of net assets value per share excludes those shares held as treasury shares.



Results For The Financial Period Ended 31 March 2010 Unaudited Financial Statements and Dividend Announcement

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 reported on

(A) Analysis of Group Performance

<u>Business Segment</u>	<u>Sales</u>	
	<u>1Q2010</u>	<u>1Q2009</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Backend Equipment Solutions & Technologies ("BEST")	35,003	11,407
Distribution & Services	78,638	80,846
	<u>113,641</u>	<u>92,253</u>

INCOME STATEMENT

Revenue

In 1Q2010, the Group reported a 23.2% increment in revenue from \$92.3 million (1Q2009) to \$113.6 million (1Q2010) due to the global economic recovering since the end of 2Q2009.

Backend Equipment Solutions & Technologies ("BEST") business, which accounted for 30.8% revenue to the Group, recorded a surge in revenue of 207%, from \$11.4 million (1Q2009) to \$35.0 million (1Q2010). The Distribution & Services business posted a marginal increase in revenue. However, due to the US and Singapore dollar exchange translation, the revenue gain was reversed to a 2.7% decrease compared to the same period last year.

Gross Profit

Gross profit margin for the Group improved to 19.3% in 1Q2010 compared 12.6% in 1Q2009.

Operating Expenses

Selling, marketing and general administrative expenses were lower by \$2.7 million, declining from \$16.8 million (1Q2009) to \$14.1 million (1Q2010), mainly due to cessation of non-core businesses and consolidation of certain business operations.

Financing costs were lower by 18.5% declining from \$1.3 million (1Q2009) to \$1.1 million (1Q2010) mainly due to lower interest rates in 1Q2010.

The Group reported a foreign exchange loss of \$0.5 million in 1Q2010 compared to the gain of \$0.9 million reported in 1Q2009, due to weaker US dollar.

Net Result

The Group reported an operating profit of \$7.6 million and a net profit attributable to shareholders of \$5.2 million for 1Q2010. The improved performance in profitability is mainly due to the higher sales and lower operating costs in 1Q2010.



Results For The Financial Period Ended 31 March 2010 Unaudited Financial Statements and Dividend Announcement

(A) Analysis of Group Performance (cont'd)

STATEMENT OF FINANCIAL POSITION

As at 31 March 2010, total assets stood at \$275.8 million comprising \$43.8 million from non-current asset and \$232.0 million from current assets. Total liabilities stood at \$170.4 million comprising current liabilities of \$162.6 million and non-current liabilities of \$7.9 million. Shareholders' equity including minority interests stood at \$105.3 million.

The following are highlights of the Group's balance sheet as at 31 March 2010.

Property, plant and equipment

Property, plant and equipment decreased by \$0.2 million from \$28.4 million to \$28.2 million. The depreciation of fixed assets of \$2.1 million is offset by the capital expenditure of \$1.9 million.

Inventory

Inventory balance decreased from \$46.6 million to \$44.7 million due to improved inventory management.

Trade receivables

Compared to 31 December 2009, trade debtors' balance increased from \$97.9 million to \$108.8 million, mainly due to the increase in revenue generated from the China market by the Distribution & Services business which traditionally has a longer credit period compared to the other markets in which the Distribution & Services segment operates.

Payables and accruals

Creditors and accruals decreased by \$14.1 million from \$90.9 million to \$76.8 million, mainly due to lower purchases and more efficient inventory management.

CASHFLOW STATEMENT

The Group utilised \$12.4 million for its operating activities, mainly for working capital funding. It also utilised a net amount of \$1.1 million for the payments of interest and tax. During the quarter, \$7.0 million was received from the divestment of subsidiaries and a net amount of \$0.1 million was utilised for the replacement of property, plant and equipment. An additional net amount of \$2.4 million was borrowed from the financial institutions during the period. Cash and cash equivalents decreased to \$38.9 million (31 March 2010) from \$43.1 million (31 December 2009).

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

The actual results were in line with the prospect statement stated in the previous announcement.

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

The Group's performance in 1Q2010 is better than expected. Nonetheless, in view of the uncertainties surrounding the economic recovery, we remain cautious and will continue to monitor our business and expenditure vigilantly.



Results For The Financial Period Ended 31 March 2010 Unaudited Financial Statements and Dividend Announcement

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend is declared for the current financial quarter reported on.

(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

None

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 quarterly announcement)

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

Please refer to note 8.

15. A breakdown of sales

(Not applicable to quarterly announcement)

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

(Not applicable to quarterly announcement)

17. Directors' confirmation

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results for the financial period ended 31 March 2010 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Woo Kwek Kiong
Company Secretary
12 May 2010