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The full announcement is available at www.bursamalaysia.com

NHF DECLARES 3 SEN INTERIM DIVIDEND

Klang, 6 November 2017 – New Hoong Fatt Holdings Berhad [**NHFATT: 7060**] (“New Hoong Fatt” or “the Group”) today announced its unaudited results for the financial period ended 30 September 2017:

	Quarter ended 30 September 2017	Quarter ended 30 September 2016	Year to date ended 30 September 2017	Year to date ended 30 September 2016
Total Revenue (RM'000)	63,006	54,479	187,140	169,081
Profit Before Tax (RM'000)	3,904	7,817	15,446	23,707
Net Profit (RM'000)	2,927	6,411	12,830	20,499
Earnings per Share (sen)	3.89	8.53	17.07	27.27

The Group recorded RM8.5 million or 15.6% increase in revenue from RM54.5 million in the corresponding quarter of preceding year (“3Q 2016”) to RM63.0 million in the current quarter under review (“3Q 2017”). The increase in revenue was mainly attributed to higher demand in both local and overseas markets.

However, Profit Before Tax (“PBT”) decreased by RM3.9 million or 50.0% from RM7.8 million in 3Q 2016 to RM3.9 million in 3Q 2017. PBT was lower mainly due to unfavourable impact from foreign exchange rates which amounted to RM3.6 million and fair value gain on the investment properties amounted to RM0.9 million which was recorded in 3Q 2016. In addition, higher manufacturing and raw material costs had also impacted the PBT in the current quarter under review. The Group managed to cushion part of the adverse impact from the significantly higher costs through higher sales volume and price increases.

The Group recorded RM18.0 million or 10.6% increase in revenue from RM169.1 million in YTD 3Q 2016 to RM187.1 million in YTD 3Q 2017. The increase in revenue was mainly attributed to higher demand in both local and overseas markets.

However, PBT decreased by RM8.3 million or 35.0% from RM23.7 million in YTD 3Q 2016 to RM15.4 million in YTD 3Q 2017. PBT was lower mainly due to unfavourable impact from foreign exchange rates which amounted to RM7.5 million and fair value gain on the investment properties amounted to RM0.9 million which was recorded in 3Q 2016. In addition, as explained above, higher manufacturing costs, higher raw material costs and higher operating expenses had also impacted the PBT. The Group managed to cushion part of the adverse impact from the significantly higher costs through higher sales volume and price increases in the current YTD period under review.

Consequently, Net Profit for YTD 3Q 2017 decreased by RM7.7 million or 37.6% from RM20.5 million in YTD 3Q 2016 to RM12.8 million in YTD 3Q 2017. Earnings per share for YTD 3Q 2017 decreased to 17.07 sen per share compared to 27.27 sen per share in the corresponding period in 2016.

The operating environment will remain challenging and profit margins will be significantly impacted by rising raw material costs. The Group will continue to drive cost and operational efficiency programs to further strengthen its competitiveness and drive business growth through expanding its product range and market expansion.

The Group remains cautiously optimistic on the overall outlook of the automotive aftermarket industry.

Dividend

The Board of Directors declared an interim single tier dividend of 3 sen per ordinary share in respect of the financial year ending 31 December 2017 amounting to RM2,254,698. The dividend will be paid on 15 December 2017 to shareholders registered in the Record of Depositors on 21 November 2017.