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## **TOP FORM INTERNATIONAL LIMITED**

**黛麗斯國際有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 333)**

### **OPERATIONAL UPDATE FOR 3<sup>RD</sup> QUARTER OF FISCAL 2011**

In continuation of the efforts to enhance the transparency of Top Form International Limited (the “Company”) and its subsidiaries (together the “Group”), the board of directors (the “Board”) of the Company announces the following operational data for the third quarter of fiscal 2011.

#### **The First Half**

In the Company’s fiscal 2011 Interim Report, the Board noted the ongoing developments in the global environment which were affecting all aspects of economic activity and the performance of manufacturing trade. The Group was prudent in the business outlook for the near future.

#### **Manufacturing**

Following the closure of our manufacturing operations in the Philippines in late December 2010, the Group now manufactures in two countries, China and Thailand. In response to the escalating and irreversible cost trends in China, together with demographic changes, we have scaled down our production in that country with replacement capacity planned by an ongoing expansion of our existing facility in regional Thailand, resulting in the current capacity ratio of 51:49 between China and Thailand.

We are also exploring manufacturing options in other Asian Countries.

*\*For identification purpose only*

## **Sales**

The geographical distribution of sales in our fiscal year to date has not changed significantly with the U.S. remaining our largest market.

Demand in our markets is not only volatile, but seems to be sliding back after the market recovery experienced last year.

## **Financial Position**

The financial position of the Group remains healthy with no borrowing.

## **Outlook**

We will continue with our ongoing strategy to migrate production to our most effective locations, to seek out new regions, and to improve overall cost efficiency. Our marketing focus is directed towards higher value business.

We remain prudent in our business outlook for the near future and our efforts are directed to navigating the business through this era of market adjustments.

**The Board wishes to remind investors that the above operational data for the third quarter of fiscal 2011 is based on the Group's unaudited management accounts. Investors are cautioned not to unduly rely on such data.**

**In the meantime, shareholders of the Company and potential investors are advised to exercise caution in dealing in the securities of the Company.**

On behalf of the Board  
**Top Form International Limited**  
**Fung Wai Yiu**  
*Chairman*

Hong Kong, 16 May 2011

*As at the date of this announcement, the board comprises Mr. Fung Wai Yiu, Mr. Wong Chung Chong, Eddie, Mr. Wong Kai Chi, Kenneth and Mr. Wong Kai Chung, Kevin as executive directors; Mr. Lucas A.M. Laureys and Mr. Herman Van de Velde as non-executive directors; and Mr. Marvin Bienenfeld, Mr. Chow Yu Chun, Alexander, Ms. Leung Churk Yin, Jeanny, Mr. Leung Ying Wah, Lambert and Mr. Lin Sun Mo, Willy as independent non-executive directors.*