



TOP FORM INTERNATIONAL LIMITED

**TOP FORM INTERNATIONAL LIMITED
ANNOUNCED FY2011 ANNUAL RESULTS**

(Stock Code: 333)

Highlights

- Manufacturing Sales Revenue amounted to HK\$1.3 billion in FY2011.
- Full year net profit before tax reached HK\$71.7 million, compared to a profit of HK\$87.5 million last year.
- Net profit after tax reached HK\$56.7 million, compared to a gain of HK\$53.7 million last year.
- Earnings per share was HK5.1 cents, compared with HK4.4 cents last fiscal year.
- The Board of Directors declared a final dividend of HK\$0.025 per share for the year.
- 41.4 million pieces of brassiere products sold in FY2011

Hong Kong, September 19, 2011 – Top Form International Limited (“TFI”; Stock Code: 333), a leading brassiere manufacturing Group, announced its annual results for the year ended June 30, 2011 on September 16, 2011.

TFI recorded manufacturing sales revenue of HK\$1.3 billion in fiscal year 2011, similar to last year. Net profit after taxation was HK\$56.7 million, compared with HK\$53.7 million in FY2010.

Global sales during the year was 41.4 million units of brassieres compared to 42.9 million units in the previous year. The lower level of sales in the second half of the year reflects the softening in demand of the market which is expected to remain for the next few months. Gross margin declined to 19% compared to 22% last year. The performance in the year of FY2011 reflects the deterioration in the operating environment in China and the weakening global economy.

To hedge against the increase in labour costs and unfavourable demographic changes in China, the Group continued to scale down some of the high cost production lines while replacing the lost capacity by an ongoing expansion of its existing facility in Thailand and a new facility in Cambodia, which is expected to be operational before end of 2011. Earnings per share for FY2011 was HK5.1cents compared to HK4.4 cents in the previous fiscal year.



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In view of the current business climate, as well as the Group's cash position and reinvestment needs, the Board of Directors decided to propose a final dividend of HK\$0.025 per share, which when taken together with an interim dividend of HK\$0.015 per share, represents an aggregate distribution of HK\$0.04 per share for the fiscal year.

The financial position of the Group remains strong, with shareholders' funds standing at HK\$563 million, as at June 30, 2011, compared with HK\$550.7 million at the end of the previous year. The Group's bank balances and cash amounted to HK\$222.8 million at 30 June 2011. Credit facilities available to the Group amounted to HK\$150 million while gearing remains at an insignificant level.

Mr. Willie Fung, Chairman of TFI, commented, "The industry is facing a variety of challenges including the shift of the low cost production in Asia and the recession in the U.S. and Europe. Despite these challenges, our management team will strive to optimize the level of production and the product mix to hedge against increasing costs and sustain our margins in order to provide stable returns to our shareholders."

- End -

About Top Form International Limited

Top Form International Limited (Stock Code: 333) is a leading brassiere manufacturing company. Its customers are located in the United States, Europe and Asia. The Group's manufacturing facilities are located in Thailand and Mainland China. Further information is available at www.topformbras.com.



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Consolidated income statement

(For the year ended 30 June 2011)

	2011	2010
	HK\$'000	HK\$'000
Revenue	1,339,798	1,342,480
Cost of sales	(1,080,724)	(1,048,518)
Gross profit	259,074	293,962
Other income and gains	11,134	4,799
Selling and distribution expenses	(22,260)	(37,883)
General and administrative expenses	(168,814)	(173,332)
Other expenses	(7,441)	-
Finance costs	(32)	(27)
Profit before taxation	71,661	87,519
Income tax expense	(14,955)	(33,835)
Profit for the year	56,706	53,684
Attributable to:		
Owners of the Company	55,241	46,823
Non-controlling interests	1,465	6,861
	56,706	53,684
Earnings per share		
Basic	HK5.1 cents	HK4.4 cents



Consolidated balance sheet

(At 30 June 2011)

	2011	2010
	HK\$'000	HK\$'000
Non-current assets		
Property, plant and equipment	150,128	139,224
Prepaid lease payments	1,767	1,815
Prepaid rental payments	6,510	7,410
Interest in an associate	-	-
Deferred tax asset	529	1,152
	158,934	149,601
Current assets		
Inventories	181,521	225,085
Debtors and other receivables	132,743	159,743
Bills receivable	17,231	29,676
Prepaid lease payments	48	48
Tax recoverable	-	9,366
Tax reserve certificates	-	77,920
Bank balances and cash	222,773	220,646
	554,316	722,484
Current liabilities		
Creditors and accrued charges	107,443	132,779
Taxation	15,945	149,267
Bank borrowings and other liabilities - due within one year	2,555	828
Obligations under finance leases - due within one year	11	131
	125,954	283,005
Net current assets	428,362	439,479
Total assets less current liabilities	587,296	589,080
Non-current liabilities		
Obligations under finance leases - due after one year	-	11
Retirement benefit obligations	2,002	10,305
Deferred tax liabilities	3,836	4,216
	5,838	14,532
	581,458	574,548



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	2011	2010
	HK\$'000	HK\$'000
Capital and reserves		
Share capital	107,519	107,519
Reserves	455,496	443,207
Equity attributable to owners of the Company	563,015	550,726
Non-controlling interests	18,443	23,822
	581,458	574,548