BRIGHT WORLD PRECISION MACHINERY LIMITED
(Co. Regn. No: 200409453N)

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

The directors are pleased to announce the results for the quarter period from 1 July 2007 to 30 September 2007 (“3QFY2007”) and the results for the nine months period from 1 January 2007 to 30 September 2007 (“9MFY2007”). The comparatives are for the quarter period from 1 July 2006 to 30 September 2006 (“3QFY2006”) and the nine months period from 1 January 2006 to 30 September 2006 (“9MFY2006”). These figures have not been audited.

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

	Group					
	9MFY2007 RMB '000	**9MFY2006 RMB '000**	**Change %**	**3QFY2007 RMB '000**	**3QFY2006 RMB '000**	**Change %**
Turnover	420,594	322,253	30.5%	167,098	129,473	29.1%
Cost of sales	(272,430)	(203,392)	33.9%	(107,210)	(77,545)	38.3%
Gross profit	148,164	118,861	24.7%	59,888	51,928	15.3%
Gross profit margin (%)	35.2%	36.9%	(1.7%)	35.8%	40.1%	(4.3%)
Other income	5,625	3,898	44.3%	2,905	2,454	18.4%
Distribution and selling expenses	(30,262)	(21,909)	38.1%	(9,126)	(7,046)	29.5%
Administrative expenses	(12,293)	(9,837)	25.0%	(4,584)	(3,095)	48.1%
Other operating (expenses)/income, net	(855)	1,138	N.M.	632	1,495	(57.7%)
Financial (expenses)/income, net	(1,509)	(595)	153.6%	(834)	50	N.M.
Profit before tax	108,870	91,556	18.9%	48,881	45,786	6.8%
Income tax	(13,520)	(11,366)	19.0%	(6,099)	(5,662)	7.7%
Profit after tax, representing profit retained for the financial period	95,350	80,190	18.9%	42,782	40,124	6.6%
Net profit margin (%)	22.7%	24.9%	(2.2%)	25.6%	31.0%	(5.4%)

N.M. denotes Not Meaningful

Explanatory Notes

(A) On 12 April 2006, the Company converted to a public limited company The Company was admitted to the Official List of the Main Board of the SGX-ST on 27 April 2006. World Precise Machinery (China) Co., Ltd ("WPM (China)") and Bright World Heavy Machine Tools (China) Co., Ltd, which are incorporated in the People's Republic of China ("PRC"), are both wholly-owned subsidiaries of the Company.

(B) Profit From Operations

This is determined after charging/ (crediting) the following:

	Group			
	9MFY2007	**9MFY2006**	**3QFY2007**	**3QFY2006**
	RMB '000	**RMB '000**	**RMB '000**	**RMB '000**
Bad trade debts written off	183	56	-	56
Allowance for doubtful trade debts	480	-	480	-
Reversal of allowance for doubtful trade debts	(67)	(686)	-	(220)
Reversal of allowance for inventory obsolescence	-	(781)	-	(781)
Inventory written off	63	-	-	-
Allowance for inventory obsolescence	35	-	-	-
Depreciation of property, plant and equipment	13,803	10,250	4,937	3,700
Amortisation of land use rights	341	-	114	-
Interest income on bank balances	(995)	(1,136)	(211)	(679)
Interest expense on bank loan	2,442	1,831	1,025	658
Property, plant and equipment written off	7	-	-	-
Net foreign exchange loss/(gain)	28	(124)	9	(35)

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	
	30.9.2007	**31.12.2006**	**30.9.2007**	**31.12.2006**
	RMB '000	**RMB '000**	**RMB '000**	**RMB '000**
Share capital and reserves				
Share capital	250,660	250,660	250,660	250,660
Statutory reserves	53,964	39,112	-	-
Revenue reserves	220,225	174,334	47,204	35,296
Foreign currency translation reserve	(224)	36	5,371	1,438
	524,625	464,142	303,235	287,394
Minority interest	400	-	-	-
Total Equity	525,025	464,142	303,235	287,394
Non current assets				
Property, plant and equipment	254,864	169,850	-	-
Land use rights	21,449	21,790	-	-
Investment in subsidiaries	-	-	297,932	243,583
Current assets				
Inventories	148,639	126,692	-	-
Trade receivables	184,651	122,154	-	-
Notes receivables (trade)	5,597	6,750	-	-
Other receivables, deposits and prepayments	36,600	41,510	69	123
Due from a subsidiary (non-trade)	-	-	5,875	1,937
Dividend receivable	-	-	-	41,800
Cash and bank balances	49,999	117,170	1,598	2,481
	425,486	414,276	7,542	46,341
Current liabilities				
Trade payables	69,633	64,050	-	-
Other payables and accruals	38,559	29,390	2,239	2,530
Due to related parties (non-trade)	3,150	3,565	-	-
Provision for income tax	5,432	4,769	-	-
Short term bank loan	60,000	40,000	-	-
	176,774	141,774	2,239	2,530
Net current assets	248,712	272,502	5,303	43,811
Net Assets	525,025	464,142	303,235	287,394

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

Amount repayable in one year or less, or on demand

As at 30 September 2007		As at 31 December 2006	
Secured	Unsecured	Secured	Unsecured
RMB '000	RMB '000	RMB '000	RMB '000
-	60,000	-	40,000

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

	9MFY2007 RMB '000	9MFY2006 RMB '000	3QFY2007 RMB '000	3QFY2006 RMB '000
Cash flow from operating activities				
Profit before tax	108,870	91,556	48,881	45,786
Adjustment for:				
Depreciation of property, plant and equipment	13,803	10,250	4,937	3,700
Amortisation of land use rights	341	-	114	-
Interest expense	2,442	1,831	1,025	658
Interest income	(995)	(1,136)	(211)	(679)
Property, plant and equipment written off	7	-	-	-
Operating profit before working capital changes	124,468	102,501	54,746	49,465
Inventories	(21,947)	(44,417)	8,398	(7,558)
Trade receivables	(62,496)	(44,649)	(36,247)	(23,602)
Notes receivables (trade)	1,153	5,687	2,003	2,355
Other receivables, deposits and prepayments	25,370	(15,535)	23,404	(9,103)
Trade payables	5,584	8,353	(9,178)	(2,245)
Other payables and accruals	8,080	(28,066)	(7,110)	(2,848)
Cash generated from/(used in) operations	80,212	(16,126)	36,016	6,464
Interest paid	(2,442)	(1,831)	(1,025)	(658)
Interest received	995	1,136	211	679
Income taxes paid	(12,858)	(5,704)	(1,372)	(3,471)
Net cash generated from/(used in) operating activities	65,907	(22,525)	33,830	3,014
Cash flow from investing activities				
Purchase of property, plant and equipment	(118,195)	(29,999)	(46,010)	(8,657)
Cash contributed by minority interest for incorporation of subsidiary	400	-	400	-
Net cash used in investing activities	(117,795)	(29,999)	(45,610)	(8,657)
Cash flow from financing activities				
Net proceeds from issue of new shares	-	164,337	-	-
Due to related parties (non-trade)	(416)	1,682	(210)	(2,945)
Proceeds from short term bank loan	60,000	40,000	-	-
Repayment of short term bank loan	(40,000)	(20,000)	-	-
Dividend paid	(34,607)	(38,400)	-	(38,400)
Net cashflow (used in)/ generated from financing activities	(15,023)	147,619	(210)	(41,345)
Net effect of exchange rate changes	(260)	(510)	152	256
Net (decrease)/increase in cash and cash equivalents	(67,171)	94,585	(11,838)	(46,732)
Cash and bank balances at beginning of the period	117,170	32,188	61,837	173,505
Cash and bank balances at end of the financial period	49,999	126,773	49,999	126,773

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

	Share Capital	Statutory Reserves	Revenue Reserves	Foreign Currency Translation Reserve	Total	Minority Interest	Total Equity
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
Balance as at 1.1.2006	83,309	20,922	118,145	-	222,376	-	222,376
Capitalisation	3,014	-	(3,014)	-	-	-	-
Issue of shares pursuant to IPO	164,337	-	-	-	164,337	-	164,337
Dividend paid	-	-	(38,400)	-	(38,400)	-	(38,400)
Profit for the financial period	-	-	80,190	-	80,190	-	80,190
Foreign currency translation	-	-	-	(510)	(510)	-	(510)
Transfer to statutory reserves	-	12,519	(12,519)	-	-	-	-
Balance as at 30.9.2006	250,660	33,441	144,402	(510)	427,993	-	427,993
Profit for the financial period	-	-	35,603	-	35,603	-	35,603
Foreign currency translation	-	-	-	546	546	-	546
Transfer to statutory reserves	-	5,671	(5,671)	-	-	-	-
Balance as at 31.12.2006	250,660	39,112	174,334	36	464,142	-	464,142
Dividend paid	-		(34,607)	-	(34,607)	-	(34,607)
Profit for the financial period	-	-	95,350	-	95,350	-	95,350
Foreign currency translation	-	-	-	(260)	(260)	-	(260)
Investment of a subsidiary	-	-	-	-	-	400	400
Transfer to statutory reserves	-	14,852	(14,852)	-	-	-	-
Balance as at 30.9.2007	250,660	53,964	220,225	(224)	524,625	400	525,025

Company

	Share Capital	Revenue Reserves/ (Accumulated Losses)	Foreign Currency Translation Reserve	Total
	RMB '000	RMB '000	RMB '000	RMB '000
Balance as at 1.1.2006	83,309	41,786	-	125,095
Capitalisation	3,014	(3,014)	-	-
Issue of shares pursuant to IPO	164,337	-	-	164,337
Dividend paid	-	(38,400)	-	(38,400)
Foreign currency translation	-	-	836	836
Loss for the financial period	-	(4,612)	-	(4,612)
Balance as at 30.9.2006	250,660	(4,240)	836	247,256
Foreign currency translation	-	-	602	602
Profit for the financial period	-	39,536	-	39,536
Balance as at 31.12.2006	250,660	35,296	1,438	287,394
Dividend paid	-	(34,607)	-	(34,607)
Foreign currency translation	-	-	3,933	3,933
Profit for the financial period	-	46,515		46,515
Balance as at 30.9.2007	250,660	47,204	5,371	303,235

Explanatory Notes:

Statutory Reserves

(1) According to the relevant PRC regulations and the Articles of Association of the PRC subsidiary, the subsidiary is required to transfer 10% of its profit after tax, as determined in accordance with PRC accounting rules and regulations to the Statutory Reserve (the "Reserve") until the Reserve balance reaches 50% of the registered capital of the subsidiary. Transfers to the Reserve must be made before the distribution of dividends to shareholders.

(2) In accordance with the Company Laws of the PRC and the respective Articles of Association of the PRC subsidiary, the subsidiary is required to transfer between 5% to 10% of its profits after tax, as determined in accordance with PRC accounting rules and regulations applicable to the PRC subsidiary, to the Statutory Public Welfare Fund ("SPWF") which is a non-distributable reserve, other than in the event of liquidation of the PRC subsidiary. The SPWF must be used for capital expenditure on staff welfare facilities and these facilities remain the property of the PRC subsidiary.

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 for 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 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.

Not Applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have been reviewed by the Group's auditors in accordance with the Singapore Standard on Review Engagement 2410.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Please refer to Appendix A for the review report.

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 applied the same accounting policies and methods of computation in the financial statements for the current financial period as those used in the audited financial statements as of 31 December 2006.

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.

None noted.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	9MFY2007	9MFY2006	3QFY2007	3QFY2006
(a) Based on weighted average number of ordinary shares on issue (RMB); and	0.24	0.30	0.11	0.10
(b) On a fully diluted basis (RMB)	0.24	0.30	0.11	0.10
Weighted average number of shares	400,000,000	268,482,547	400,000,000	400,000,000

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30.9.2007	31.12.2006	30.9.2007	31.12.2006
	RMB	RMB	RMB	RMB
Net asset value per ordinary share based on issued share capital at the end of the respective periods:	1.31	1.16	0.76	0.72
No. of shares in computing NAV	400,000,000	400,000,000	400,000,000	400,000,000

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) 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; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF PERFORMANCE

(A) <u>Consolidated Income Statement</u>

(i) Turnover

For the 3 months ended 30 September 2007 ("3Q07"), the Group's turnover increased 29.1% year-on-year from RMB 129.5 million to RMB 167.1 million in the 3 months ended 30 September 2006 ("3Q06"). Increased sales performances in both conventional and high performance stamping machines contributed to the overall revenue growth, as well as an increase in selling prices to partially off-set the increase in raw material costs. Comparing sales performance for third quarter, sales of conventional stamping machines grew 10.4% while sales of high performance stamping machines increased by 55.7%.

For the 9 months ended 30 September 2007 ("9 Months FY2007"), the Group's turnover rose 30.5% year-on-year to RMB 420.6 million from RMB 322.3 million in the 9 months ended 30 September 2006 ("9 Months FY2006"), mainly driven by an increase in the sales of high performance stamping machines which have significantly higher selling prices than conventional stamping machines. In terms of sales performance for first 9 months, sales of conventional stamping machines grew 19.1% while sales of high performance stamping machines increased by 53.7%.

(ii) Gross Profit

The Group's gross profit for 3Q07 increased 15.3% from RMB 51.9 million to RMB 59.9 million. Gross profit margin dropped 4.3% from 40.1% in 3Q06 to 35.8% in 3Q07.

Overall, the Group's gross profit for 9 months FY2007 increased 24.7% year-on-year to RMB 148.2 million from RMB 118.9 million in 9 months FY2006 in tandem with the growth in turnover. The gross profit margin for 9 months FY2007 dropped 1.7% to 35.2% in 9 months FY2007 from 36.9% in 9 months FY2006 due to an increase in raw material costs.

(iii) Other Income

Other income increased 18.4% from RMB 2.5 million in 3Q06 to RMB 2.9 million in 3Q07.

Other income grew 44.3% from RMB 3.9 million in 9 months FY2006 to RMB 5.6 million in 9 months FY2007 due mainly to increase in sale of scrap materials, compensation received from suppliers and processing work.

(iv) Distribution and Selling Expenses

Compared to 3Q06, distribution and selling expenses in 3Q07 increased 29.5% from RMB 7.0 million to RMB 9.1 million.

Distribution and selling expenses rose by 38.1% year-on-year from RMB 21.9 million in 9 months FY2006 to RMB 30.3 million in 9 months FY2007. As a percentage of total revenue, distribution and selling expenses rose from 6.8% in 9 months FY2006 to 7.2% in 9 months FY2007. The increase was attributable to increased personnel expenses due to increase in headcount, travelling and increase in promotional expenses due to active participation in trade exhibitions held in Shenzhen, Xiamen, Tianjin and Shanghai, printing of promotional materials and advertisements.

(v) Administrative Expenses

In 3Q07, administrative expenses increased 48.1% year-on-year to RMB 4.6 million from RMB 3.1 million in 3Q06.

Administrative expenses for 9 months FY2007 increased 25.0% year-on-year to RMB 12.3 million from RMB 9.8 million in 9 months FY2007. As a percentage of total revenue, administrative expenses decreased from 3.1% in 9 months FY2006 to 2.9% in 9 months FY2007. The increase is due mainly to increase in personnel expenses due to increase in headcount, staff welfare, workers' insurance, amortisation of land use rights and depreciation.

(vi) Other Operating (Expenses)/Income, Net

Other operating expenses decreased 57.7% from RMB 1.5 million in 3Q06 to RMB 0.6 million in 3Q07.

Net operating expenses increased from net operating income of RMB 1.1 million in 9 months FY2006 to net operating expense of RMB 0.9 million in 9 months FY2007, mainly due to reversal of allowance for doubtful trade debts and stock obsolescence in 9 months FY2006, partially offset by an increase in relocation expenses incurred for the development of new plant in 9 months FY2007.

(vii) Financial Expenses, Net

The Group's financial expenses increased from net financial income of approximately RMB 50,000 in 3Q06 to net financial expense of RMB 0.8 million in 3Q07.

Net financial expenses increased 153.6% from RMB 0.6 million in 9 months FY2006 to RMB 1.5 million in 9 months FY2007 as a result of increase in interest expenses from additional short term loan of RMB 20 million, coupled with a decrease in interest income due to gradual utilisation of IPO proceeds for development of new plant.

(viii) Income Tax

The Group is taxable since the beginning of FY2006. Having enjoyed 100% tax exemption since 27 May 2004, WPM (China) a wholly-owned subsidiary of the Group, currently enjoys an effective corporate tax rate of 12%. This is a 50% tax exemption from the preferential corporate tax rate of 24% granted to WPM (China), being a wholly-owned foreign enterprise ("WFOE") established in the city of the coastal open economic zone. No deferred tax has been provided, as the Group did not have any significant temporary differences which gave rise to a deferred tax asset or liability at the balance sheet dates.

Income tax incurred for 3Q07 and 9 months FY2007 were RMB 6.1 million and RMB 13.5 million respectively.

(ix) Profit Before Tax

Overall, the Group's Profit Before Tax ("PBT") had kept pace with the Group's gross profit for 9 months FY2007.

The Group's PBT grew 6.8% year-on-year to RMB 48.9 million in 3Q07 from RMB 45.8 million in 3Q06.

For 9 months FY2007, the Group's PBT rose 18.9% year-on-year from RMB 91.6 million in 9 months FY2006 to RMB 108.9 million for 9 months FY2007.

(x) Net Profit After Tax

In tandem with the increase in PBT, the Group's net profit after tax ("NPAT") increased 6.6% from RMB 40.1 million in 3Q06 to RMB 42.8 million in 3Q07.

Overall the Group's NPAT grew 18.9% to RMB 95.4 million in 9 months FY2007 from RMB 80.2 million in 9 months FY2006. Net profit margin dropped from 24.9% for 9 months FY2006 to 22.7% for 9 months FY2007.

(B) Consolidated Balance Sheet (30 September 2007 vs 31 December 2006)

Total current assets increased marginally from RMB 414.3 million as at 31 December 2006 to RMB 425.5 million as at 30 September 2007. This can be attributed to an increase in inventories balance due to an increase in production activities and increase in trade receivables, counter-balanced with a decrease in cash and bank balances due to the utilisation of IPO proceeds for the construction of the new production plant.

Total current liabilities increased 24.7% (or RMB 35.0 million) from RMB 141.8 million as at 31 December 2006 to RMB 176.8 million as at 30 September 2007. The increase can be attributed to an additional RMB 20 million short term bank loan and an increase in trade and other payables, with the increase in business volume.

(C) Consolidated Cash Flow Statement

For 3 months ended 30 September 2007, the net cash inflow arising from operating activities amounted to RMB 33.8 million. The net cash outflow arising from investing and financing activities amounted to RMB 45.6 million and RMB 0.2 million respectively. Overall, the Group saw a net cash decrease of approximately RMB 11.8 million for the 3 months ended 30 September 2007.

For 9 months ended 30 September 2007, the Group saw a net cash decrease of approximately RMB 67.2 million. The net cash inflow arising from operating activities amounted to RMB 65.9 million. The net cash outflow arising from investing activities amounted to RMB 117.8 million and RMB 15.0 million respectively.

Cash and cash equivalent as at 30 September 2007 stood at RMB 50.0 million.

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

Not Applicable.

10. A commentary at the date of the announcement of the significant trends and 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 believes that the overall demand for stamping machines will remain strong as the PRC will continue to be a global manufacturing hub. This is advantageous to the Company as the stamping industry forms the backbone of many manufacturing industries including automobile, hardware, electrical appliances and electronics, IT and computer peripherals.

Barring unforeseen circumstances, the Group is confident that its turnover will continue to be driven by strong growth in sales across the key manufacturing hubs of the PRC, namely Jiangsu, Zhejiang, Shanghai, Guangdong and Fujian provinces. In addition, the northern and central provinces of the PRC will continue to witness increased sales. In terms of product mix, the Group expects to see further increases in the sales of high performance stamping machines as customers demand more stamping machines with higher stamping tonnage, precision and reliability.

Nonetheless, prices of raw materials such as iron which has been on the increase since the middle of the second quarter of FY2007, is expected to be subject to price fluctuations in the short term, with an overall increase in the long term.

The new adjacent factory site is in its final stage and nearing completion. It is being retrofitted with equipment and is expected to commence trial production of heavy machine tools, high performance stamping machines, as well as new complementary products such as cutting and bending machines in the last quarter of FY2007.

The Group’s 60%-owned subsidiary, Shanghai Shangduan Stamping Machines Co., Ltd – a recent joint venture between the Group and certain former management / engineers of one of the largest stamping machines manufactures in the PRC who have extensive experience in the stamping machines industry – which is engaged in the manufacture and sale of high-tonnage stamping machines, is expected to contribute positively to the Group’s revenue by the last quarter of FY2007.

In order to constantly stay ahead of the market, the Group will continue to accelerate its research and development of new varieties of stamping machines as well as cutting and bending machines.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(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.

No dividend has been declared/(recommended) for the current financial period reported on.

BY ORDER OF THE BOARD

Shao Jian Jun
Chief Executive Officer
9 November 2007

Statement By Directors Pursuant to Clause 705(4) of the Listing Manual of SGX-ST

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of Bright World Precision Machinery Limited which may render the interim financial results of the Group for the 3 months ended 30 September 2007, to be false or misleading.

For and on behalf of the
Board of Directors of
BRIGHT WORLD PRECISION MACHINERY LIMITED

Wang Wei Yao
Chairman & Non-Executive Director

Shao Jian Jun
CEO and Executive Director