
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): February 12, 2018

TRIO-TECH INTERNATIONAL
(Exact Name of Registrant as Specified in Its Charter)

California
(State or Other Jurisdiction of Incorporation)

1-14523
(Commission File Number)

95-2086631
(IRS Employer Identification No.)

16139 Wyandotte Street, Van Nuys, California
(Address of Principal Executive Offices)

91406
(Zip Code)

(818) 787-7000
(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

Item 2.02 Results of Operations and Financial Condition

On February 12, 2018, Trio-Tech International issued a press release announcing its financial results for the quarter ended December 31, 2017. A copy of the press release is attached as Exhibit 99.1.

The information in this Current Report, including the exhibit hereto, is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section. The information in this Current Report, including the Exhibit hereto, shall not be incorporated by reference into any filings under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

[99.1](#) **Press Release of Trio-Tech International dated February 12, 2018**

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 13, 2018

TRIO-TECH INTERNATIONAL

By: /s/ VICTOR H.M. TING

Name: Victor H.M. Ting,

Title: Vice President and
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release of Trio-Tech International dated February 12, 2018



LOS ANGELES
SINGAPORE
KUALA LUMPUR
INDONESIA
BANGKOK
SUZHOU
TIANJIN
CHONGQING

FOR IMMEDIATE RELEASE

Company

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Trio-Tech Fiscal 2018 Second Quarter Net Income Doubles to \$0.18 Per Share As Revenue Increases 16%

First Half Net Income is \$0.34 Per Share Versus \$0.17 Per Share

Van Nuys, CA – February 12, 2018 – **Trio-Tech International (NYSE MKT: TRT)** today announced financial results for the second quarter of fiscal 2018 and the six month period ended December 31, 2017:

- Revenue increased 16% compared to the second quarter of fiscal 2017.
- Operating income increased 151% compared to the second quarter of fiscal 2017.
- Net income to shareholders increased 117% compared to the second quarter of fiscal 2017.
- Earnings per share doubled to \$0.18 compared to \$0.09 for the second quarter of fiscal 2017.

CEO Comments

S.W. Yong, Trio-Tech's CEO, said, "Building on our solid first quarter performance, Trio-Tech delivered strong financial results once again in the second quarter. Operating earnings surged, as gross margins improved and expenses as a percentage of sales decreased.

"Growth in our semiconductor testing and semiconductor equipment manufacturing segments continued to be the primary drivers of these gains, and we see exciting opportunities for further growth in these businesses. The automotive industry is a particularly attractive opportunity for us. We are pleased by the progress we have made so far this fiscal year."

Fiscal 2018 Second Quarter Results

For the fiscal second quarter ended December 31, 2017, revenue increased 16% to \$10,552,000 compared to revenue of \$9,104,000 for the same quarter last year. Manufacturing revenue increased 20% to \$3,973,000 for this year's second quarter compared to \$3,320,000 for the same quarter last year. Semiconductor testing services revenue increased 21% to \$4,936,000 for the second quarter compared to \$4,070,000 in the same quarter last year. Distribution revenue declined 4% to \$1,606,000 for this year's second quarter from \$1,675,000 for the same quarter last year.

Gross margin for the second quarter of fiscal 2018 increased 22% to \$2,795,000 compared to \$2,294,000 in the same quarter last year. An improved product mix in manufacturing and distribution operations increased gross margin to 26% of revenue, compared to 25% of revenue in the second quarter of fiscal 2017.

Operating expenses for the second quarter of fiscal 2018 increased 4% to \$2,097,000, but declined to 20% of revenue from \$2,016,000, or 22% of revenue, in the same quarter last year. The decline in operating expenses, as a percent of revenue, helped contribute to a 151% increase in income from operations to \$698,000 from \$278,000 for the second quarter last year.

Net income attributable to Trio-Tech common shareholders for the fiscal 2018 second quarter increased 117% to \$673,000, or \$0.18 per diluted share, compared to \$310,000, or \$0.09 per diluted share in the same quarter last year.

(more)

16139 Wyandotte Street, Van Nuys, CA 91406, USA • TEL: (818) 787-7000 • FAX (818) 787-9130

Trio-Tech Fiscal 2018 Second Quarter Net Income Doubles to \$0.18 Per Share as Revenue Increases 16%

February 12, 2018

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Fiscal 2018 First Half Results

For the six months ended December 31, 2017, revenue increased 19% to \$21,497,000 compared to revenue of \$18,075,000 for the same period last year. Manufacturing revenue increased 25% to \$8,738,000 for the first half compared to \$6,991,000 in the same period last year. Semiconductor testing services revenue increased 16% to \$9,541,000 for the first six months compared to \$8,227,000 in the same period last year. Distribution revenue increased 13% to \$3,142,000 for this year's first half from \$2,779,000 for the same period last year.

Gross margin for the first six months of fiscal 2018 increased 19% to \$5,555,000 compared to \$4,652,000 in the same period last year. Gross margin was 26% of revenue in both periods.

Operating expenses for the first six months of fiscal 2018 increased 8% to \$4,310,000, but declined to 20% of revenue from \$3,997,000, or 22% of revenue, in the same period last year.

The increase in gross margin, coupled with the decline in operating expenses, as a percent of revenue, together contributed to a 90% increase in income from operations to \$1,245,000 from \$655,000 in the same period last year.

Net income attributable to Trio-Tech common shareholders for the first six months of fiscal 2018 increased 104% to \$1,248,000, or \$0.34 per diluted share, compared to \$613,000, or \$0.17 per diluted share in the same period last year.

Shareholders' equity at December 31, 2017 was \$23,736,000, or \$6.69 per outstanding share, compared to \$21,527,000, or \$6.11 per outstanding share, at June 30, 2017. There were approximately 3,548,055 common shares outstanding at December 31, 2017.

About Trio-Tech

Established in 1958 and headquartered in Van Nuys, California, Trio-Tech International is a diversified business group with interests in semiconductor testing services, manufacturing and distribution of semiconductor testing equipment, and real estate. Further information about Trio-Tech's semiconductor products and services can be obtained from the Company's Web site at www.triotech.com, www.universalfareast.com, and www.ttsolar.com.

Forward Looking Statements

This press release contains statements that are forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and may contain forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and assumptions regarding future activities and results of operations of the Company. In light of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the following factors, among others, could cause actual results to differ materially from those reflected in any forward looking statements made by or on behalf of the Company: market acceptance of Company products and services; changing business conditions or technologies and volatility in the semiconductor industry, which could affect demand for the Company's products and services; the impact of competition; problems with technology; product development schedules; delivery schedules; changes in military or commercial testing specifications which could affect the market for the Company's products and services; difficulties in profitably integrating acquired businesses, if any, into the Company; risks associated with conducting business internationally and especially in Asia, including currency fluctuations and devaluation, currency restrictions, local laws and restrictions and possible social, political and economic instability; changes in U.S. and global financial and equity markets, including market disruptions and significant interest rate fluctuations; and other economic, financial and regulatory factors beyond the Company's control. Other than statements of historical fact, all statements made in this Quarterly Report are forward looking, including, but not limited to, statements regarding industry prospects, future results of operations or financial position, and statements of our intent, belief and current expectations about our strategic direction, prospective and future financial results and condition. In some cases, you can identify forward looking statements by the use of terminology such as "may," "will," "expects," "plans," "anticipates," "estimates," "potential," "believes," "can impact," "continue," or the negative thereof or other comparable terminology. Forward looking statements involve risks and uncertainties that are inherently difficult to predict, which could cause actual outcomes and results to differ materially from our expectations, forecasts and assumptions.

(tables attached)

TRIO-TECH INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
UNAUDITED (IN THOUSANDS, EXCEPT EARNINGS PER SHARE)

	Three Months Ended		Six Months Ended	
	December 31,		December 31,	
	2017	2016	2017	2016
Revenue				
Manufacturing	\$ 3,973	\$ 3,320	\$ 8,738	\$ 6,991
Testing services	4,936	4,070	9,541	8,227
Distribution	1,606	1,675	3,142	2,779
Others	37	39	76	78
	<u>10,552</u>	<u>9,104</u>	<u>21,497</u>	<u>18,075</u>
Cost of Sales				
Cost of manufactured products sold	3,068	2,622	6,717	5,417
Cost of testing services rendered	3,251	2,658	6,390	5,472
Cost of distribution	1,409	1,501	2,777	2,492
Others	29	29	58	42
	<u>7,757</u>	<u>6,810</u>	<u>15,942</u>	<u>13,423</u>
Gross Margin	2,795	2,294	5,555	4,652
Operating Expenses:				
General and administrative	1,727	1,776	3,566	3,519
Selling	252	180	431	365
Research and development	118	52	302	105
Loss on disposal of property, plant and equipment	--	8	11	8
Total operating expenses	<u>2,097</u>	<u>2,016</u>	<u>4,310</u>	<u>3,997</u>
Income from Operations	698	278	1,245	655
Other (Expenses) Income				
Interest expenses	(52)	(48)	(110)	(106)
Other income, net	42	203	200	313
Total other (expenses) income	<u>(10)</u>	<u>155</u>	<u>90</u>	<u>207</u>
Income from Continuing Operations before Income Taxes	688	433	1,335	862
Income Tax Expenses	<u>(13)</u>	<u>(67)</u>	<u>(55)</u>	<u>(150)</u>
Income from Continuing Operations before Non-controlling Interest, Net of Tax	675	366	1,280	712
Loss from Discontinued Operations, Net of Tax	<u>(2)</u>	<u>(4)</u>	<u>(5)</u>	<u>(3)</u>
NET INCOME	673	362	1,275	709
Less: Income Attributable to Non-controlling Interest	--	52	27	96
Net Income Attributable to Trio-Tech International	<u>\$ 673</u>	<u>\$ 310</u>	<u>\$ 1,248</u>	<u>\$ 613</u>
Net Income Attributable to Trio-Tech International:				
Income from Continuing Operations, Net of Tax	678	316	1,254	619
Loss from Discontinued Operations, Net of Tax	<u>(5)</u>	<u>(6)</u>	<u>(6)</u>	<u>(6)</u>
Net Income attributable to Trio-Tech International	<u>\$ 673</u>	<u>\$ 310</u>	<u>\$ 1,248</u>	<u>\$ 613</u>
Basic Earnings per Share	\$ 0.19	\$ 0.09	\$ 0.35	\$ 0.18
Diluted Earnings per share	\$ 0.18	\$ 0.09	\$ 0.34	\$ 0.17
Weighted Average Shares Outstanding B Basic	3,548	3,513	3,548	3,513
Weighted Average Shares Outstanding B Diluted	3,793	3,569	3,770	3,552

TRIO-TECH INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
UNAUDITED (IN THOUSANDS, EXCEPT EARNINGS PER SHARE)

	Three Months Ended		Six Months Ended	
	December 31,		December 31,	
	2017	2016	2017	2016
Comprehensive Income Attributable to Trio-Tech International Common Shareholders:				
Net income	\$ 673	\$ 362	\$ 1,275	\$ 709
Foreign Currency Translation, Net of Tax	588	(1,094)	963	(1,377)
Comprehensive Income (Loss)	1,261	(732)	2,238	(668)
Less: Comprehensive Income (Loss) Attributable To Non controlling Interest	88	(16)	115	(37)
Comprehensive Income (Loss) Attributable to Trio-Tech International Common Shareholders	<u>\$ 1,173</u>	<u>\$ (716)</u>	<u>\$ 2,123</u>	<u>\$ (631)</u>

TRIO-TECH INTERNATIONAL AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT NUMBER OF SHARES)

ASSETS	Dec. 31, 2017 (unaudited)	Jun. 30, 2017
CURRENT ASSETS:		
Cash and cash equivalents	\$ 5,059	\$ 4,772
Short-term deposits	642	787
Trade accounts receivable, net	9,493	9,009
Other receivables	548	401
Inventories, net	2,972	1,756
Prepaid expenses and other current assets	280	226
Assets held for sale	91	86
Total current assets	19,085	17,037
Deferred tax assets	435	375
Investment properties, net	1,217	1,216
Property, plant and equipment, net	12,385	11,291
Other assets	1,950	1,922
Restricted term deposits	1,717	1,657
Total non-current assets	17,704	16,461
TOTAL ASSETS	36,789	\$ 33,498
LIABILITIES AND SHAREHOLDER'S EQUITY		
CURRENT LIABILITIES:		
Lines of credit	2,189	\$ 2,556
Accounts payable	3,342	3,229
Accrued expenses	3,985	3,043
Income taxes payable	292	233
Current portion of bank loans payable	356	260
Current portion of capital leases	250	228
Total current liabilities	10,414	9,549
Bank loans payable, net of current portion	1,617	1,552
Capital leases, net of current portion	648	531
Deferred tax liabilities	328	295
Other non-current liabilities	46	44
Total non-current liabilities	2,639	2,422
TOTAL LIABILITIES	13,053	11,971
EQUITY		
TRIO-TECH INTERNATIONAL'S SHAREHOLDERS' EQUITY:		
Common stock, no par value, 15,000,000 shares authorized; 3,548,055 and 3,523,055 shares issued and outstanding at December 31, 2017 and June 30, 2017, respectively	11,013	10,921
Paid-in capital	3,208	3,206
Accumulated retained earnings	5,589	4,341
Accumulated other comprehensive gain-translation adjustments	2,508	1,633
Total Trio-Tech International shareholders' equity	22,318	20,101
Non-controlling interest	1,418	1,426
TOTAL EQUITY	23,736	21,527
TOTAL LIABILITIES AND EQUITY	36,789	\$ 33,498