

WING TAI HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No: 196300239D)

FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2008

The Directors of Wing Tai Holdings Limited are pleased to announce the unaudited consolidated results for the half year and second quarter ended 31 December 2008.

1 (a)(i) **Income Statement**

	Group			Group		
	Half Year ended 31-Dec-08 S\$'000	Half Year ended 31-Dec-07 S\$'000	% +/-	Second Quarter ended 31-Dec-08 S\$'000	Second Quarter ended 31-Dec-07 S\$'000	% +/-
Revenue	226,282	210,855	7	91,978	110,669	(17)
Cost of sales	(101,962)	(110,855)	(8)	(42,986)	(54,915)	(22)
Gross profit	124,320	100,000	24	48,992	55,754	(12)
Other gains - net	5,977	38,625	(85)	1,933	33,426	(94)
Expenses						
- Distribution	(38,146)	(36,141)	6	(19,124)	(19,932)	(4)
- Administrative	(30,368)	(27,377)	11	(12,925)	(11,752)	10
- Other	(4,624)	(4,971)	(7)	(2,809)	(2,331)	21
Operating profit	57,159	70,136	(19)	16,067	55,165	(71)
Finance costs	(12,562)	(14,036)	(11)	(7,215)	(7,006)	3
Share of profit of associated and joint venture companies	25,779	75,875	(66)	18,014	12,219	47
Profit before income tax	70,376	131,975	(47)	26,866	60,378	(56)
Income tax expense	(12,589)	(9,228)	36	(4,361)	(4,620)	(6)
Total profit	57,787	122,747	(53)	22,505	55,758	(60)
Attributable to:						
Equity holders of the Company	53,496	105,348	(49)	20,904	43,585	(52)
Minority interests	4,291	17,399	(75)	1,601	12,173	(87)
	57,787	122,747	(53)	22,505	55,758	(60)

1 (a)(ii) **Notes to Income Statement**

	Group			Group			
	Half Year ended 31-Dec-08 S\$'000	Half Year ended 31-Dec-07 S\$'000	% + / (-)	Second Quarter ended 31-Dec-08 S\$'000	Second Quarter ended 31-Dec-07 S\$'000	% + / (-)	
(A)	Investment income	340	301	13	-	301	(100)
(B)	Interest income	3,104	5,193	(40)	1,632	2,586	(37)
(C)	Finance costs	(12,562)	(14,036)	(11)	(7,215)	(7,006)	3
(D)	Depreciation and amortisation	(6,029)	(4,629)	30	(2,998)	(2,619)	14
(E)	(Allowance)/write-back of allowance for doubtful debts	(211)	37	n.m.	25	171	(85)
(F)	Allowance for stock obsolescence	(880)	(949)	(7)	(144)	(895)	(84)
(G)	Impairment in value of investments	-	-	-	-	-	-
(H)	Foreign exchange gain/(loss)	409	(1,722)	n.m.	303	(1,534)	n.m.
(I)	Adjustment for tax in respect of prior years	-	-	-	-	-	-
(J)	Gain/(loss) on disposal of property, plant and equipment	58	357	(84)	11	(117)	n.m.
(K)	Gain on disposal of an available-for-sale financial asset	-	27,528	(100)	-	27,528	(100)
(L)	Negative goodwill arising from additional shares in an associated company	16,496	-	100	16,496	-	100
(M)	Exceptional items	-	-	-	-	-	-
(N)	Extraordinary items	-	-	-	-	-	-

Note:-

n.m. - not meaningful

1 (b)(i) **Balance Sheets**

	Group		Company	
	As at 31-Dec-08 <u>S\$'000</u>	As at 30-Jun-08 <u>S\$'000</u>	As at 31-Dec-08 <u>S\$'000</u>	As at 30-Jun-08 <u>S\$'000</u>
ASSETS				
Current assets				
Cash and cash equivalents	403,627	445,106	157,980	151,347
Derivative financial instruments	236	5,046	-	2,244
Trade and other receivables	21,297	28,132	391,790	413,663
Inventories	19,436	22,501	-	-
Development properties	1,139,650	1,042,807	-	-
Tax recoverable	1,001	6,385	-	4,811
Other current assets	40,966	36,472	7,197	1,327
	<u>1,626,213</u>	<u>1,586,449</u>	<u>556,967</u>	<u>573,392</u>
Non-current assets				
Available-for-sale financial assets	7,170	7,170	3,189	3,189
Trade and other receivables	247,380	238,623	522,310	520,200
Investments in associated companies	491,925	451,461	-	-
Investments in joint venture companies	142,938	175,663	-	-
Investments in subsidiary companies	-	-	238,740	238,740
Investment properties	553,917	554,041	84,650	84,650
Property, plant and equipment	214,193	219,227	12,299	14,812
	<u>1,657,523</u>	<u>1,646,185</u>	<u>861,188</u>	<u>861,591</u>
Total assets	<u>3,283,736</u>	<u>3,232,634</u>	<u>1,418,155</u>	<u>1,434,983</u>
LIABILITIES				
Current liabilities				
Trade and other payables	137,649	136,039	217,086	180,106
Current income tax liabilities	18,476	25,051	574	3,357
Derivative financial instruments	33,530	14,925	6,095	-
Borrowings	21,490	17,099	-	-
	<u>211,145</u>	<u>193,114</u>	<u>223,755</u>	<u>183,463</u>
Non-current liabilities				
Borrowings	1,130,906	1,077,310	275,000	275,000
Deferred income tax liabilities	88,084	79,217	2,418	2,418
Other non-current liabilities	111,287	131,458	56,847	55,944
	<u>1,330,277</u>	<u>1,287,985</u>	<u>334,265</u>	<u>333,362</u>
Total liabilities	<u>1,541,422</u>	<u>1,481,099</u>	<u>558,020</u>	<u>516,825</u>
NET ASSETS	<u>1,742,314</u>	<u>1,751,535</u>	<u>860,135</u>	<u>918,158</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	837,619	837,585	837,619	837,585
Other reserves	(6,089)	5,880	(9,132)	5,161
Retained earnings	768,447	762,059	31,648	75,412
	<u>1,599,977</u>	<u>1,605,524</u>	<u>860,135</u>	<u>918,158</u>
Minority interests	142,337	146,011	-	-
TOTAL EQUITY	<u>1,742,314</u>	<u>1,751,535</u>	<u>860,135</u>	<u>918,158</u>

1 (b)(i) **Balance Sheets** (continued)

Note:-

- The increase in the Group's development properties is largely attributable to the development costs incurred and capitalised.
- The increase in the Group's investments in associated companies is mainly due to the currency translation gain on the foreign associated companies and the additional investment in an associated company.
- The decrease in the Group's investments in joint venture companies is mainly due to the dividend income from joint venture companies, partially offset by the share of profit of joint venture companies.
- The increase in the Group's non-current borrowings is attributable to the drawdown of additional loans for development projects and working capital.
- The decrease in the Group's other non-current liabilities is primarily due to the repayment of the loans from minority shareholders.

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

Amount repayable in one year or less, or on demand

As at 31-Dec-08		As at 30-Jun-08	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
6,525	14,965	6,485	10,614

Amount repayable after one year

As at 31-Dec-08		As at 30-Jun-08	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
704,048	426,858	657,976	419,334

Details of any collateral

Secured borrowings are generally secured by the borrowing companies' property, plant and equipment, investment properties, properties under development and assignment of all rights and benefits with respect to the properties.

1 (c) **Cash Flow Statement for the group**

	Group		Group	
	Half Year ended 31-Dec-08 <u>S\$'000</u>	Half Year ended 31-Dec-07 <u>S\$'000</u>	Second Quarter ended 31-Dec-08 <u>S\$'000</u>	Second Quarter ended 31-Dec-07 <u>S\$'000</u>
Cash flows from operating activities				
Total profit	57,787	122,747	22,505	55,758
Adjustments for:				
Non-cash items	2,411	(82,979)	(3,692)	(25,488)
Operating cash flow before working capital changes	60,198	39,768	18,813	30,270
Changes in operating assets and liabilities				
- Development properties	(88,585)	(15,587)	(35,424)	(50,898)
- Other current assets/liabilities	5,088	87,310	4,913	14,041
Cash (used in)/generated from operations	(23,299)	111,491	(11,698)	(6,587)
Income tax paid	(8,747)	(10,219)	(8,079)	(8,667)
Net cash (used in)/generated from operating activities	(32,046)	101,272	(19,777)	(15,254)
Cash flows from investing activities				
Acquisition of additional interest in a subsidiary company	(166)	-	(34)	-
Acquisition of additional interest in an associated company	(3,392)	(19,273)	(3,392)	(19,273)
Acquisition of interest in a joint venture company	(52)	-	(52)	-
Purchases of property, plant and equipment	(3,205)	(13,092)	(1,738)	(6,526)
Proceeds from disposal of property, plant and equipment	180	610	180	13
Proceeds from disposal of an associated company	1,062	-	1,062	-
Proceeds from disposal of an available-for-sale financial asset	-	29,893	-	29,893
(Advancement)/repayment of the loans to associated, joint venture and investee companies	(1,804)	(45,212)	1,230	(54,971)
Dividends received	45,526	1,376	26,886	1,376
Interest received	2,653	4,924	1,990	2,436
Net cash generated from/(used in) investing activities	40,802	(40,774)	26,132	(47,052)
Cash flows from financing activities				
Proceeds from issue of ordinary shares	34	149,107	8	148,126
Proceeds from issue of ordinary shares by a subsidiary company to minority shareholders	-	53	-	53
Purchase of treasury shares	(6,637)	(2,516)	(2,953)	(2,516)
(Repayment)/advancement of the loans from minority shareholders	(24,006)	(42,300)	(1,324)	1,326
Proceeds from borrowings	50,786	39,032	37,620	115,701
Ordinary and special cash dividends paid to shareholders	(47,108)	(47,295)	(47,108)	(47,295)
Special rights dividend paid to shareholders	-	(147,797)	-	(147,797)
Dividends paid by subsidiary companies to minority shareholders	(7,337)	(2,509)	(7,337)	(2,509)
Interest paid	(19,526)	(18,220)	(13,395)	(10,001)
Net cash (used in)/generated from financing activities	(53,794)	(72,445)	(34,489)	55,088
Net decrease in cash and cash equivalents	(45,038)	(11,947)	(28,134)	(7,218)
Cash and cash equivalents at beginning of financial period	445,106	410,790	429,500	405,232
Effects of currency translation on cash and cash equivalents	3,559	(1,197)	2,261	(368)
Cash and cash equivalents at end of financial period *	403,627	397,646	403,627	397,646

1 (c) **Cash Flow Statement for the group** (continued)

* Cash and cash equivalents consist of fixed deposits, cash and bank balances.

Note:-

- Net cash used in operating activities in the second quarter and half year ended 31 December 2008 were mainly for development costs incurred.

1 (d)(i) **Statements of Changes in Equity for the group**

	Attributable to equity holders of the Company				Minority interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Total S\$'000		
Balance at 1 July 2008	837,585	5,880	762,059	1,605,524	146,011	1,751,535
Cash flow hedges	-	(24,411)	-	(24,411)	-	(24,411)
Currency translation differences	-	20,594	-	20,594	(315)	20,279
Share of capital reserves of associated and joint venture companies	-	(2,217)	-	(2,217)	(25)	(2,242)
Net losses recognised directly in equity	-	(6,034)	-	(6,034)	(340)	(6,374)
Net profit	-	-	53,496	53,496	4,291	57,787
Total recognised gains/(losses)	-	(6,034)	53,496	47,462	3,951	51,413
Cost of share-based payment	-	702	-	702	14	716
Issue of shares on exercise of share options	34	-	-	34	-	34
Purchase of treasury shares	-	(6,637)	-	(6,637)	-	(6,637)
Ordinary and special cash dividends paid	-	-	(47,108)	(47,108)	-	(47,108)
Dividends paid by subsidiary companies to minority shareholders	-	-	-	-	(7,337)	(7,337)
Acquisition of additional interest in a subsidiary company	-	-	-	-	(302)	(302)
Balance at 31 December 2008	837,619	(6,089)	768,447	1,599,977	142,337	1,742,314

1 (d)(i) **Statements of Changes in Equity for the group** (continued)

	<u>Attributable to equity holders of the Company</u>				Minority interests <u>S\$'000</u>	Total equity <u>S\$'000</u>
	Share capital <u>S\$'000</u>	Other reserves <u>S\$'000</u>	Retained earnings <u>S\$'000</u>	Total <u>S\$'000</u>		
Balance at 1 July 2007	688,316	87,484	713,549	1,489,349	174,833	1,664,182
Cash flow hedges	-	(1,316)	-	(1,316)	-	(1,316)
Currency translation differences	-	(28,062)	-	(28,062)	(5,092)	(33,154)
Share of capital reserves of associated and joint venture companies	-	2,393	-	2,393	223	2,616
Transfer from retained earnings to statutory reserve	-	138	(138)	-	-	-
Realisation of reserve upon disposal of available-for-sale financial assets	-	(11,556)	-	(11,556)	(11,463)	(23,019)
Net losses recognised directly in equity	-	(38,403)	(138)	(38,541)	(16,332)	(54,873)
Net profit	-	-	105,348	105,348	17,399	122,747
Total recognised gains/(losses)	-	(38,403)	105,210	66,807	1,067	67,874
Cost of share-based payment	-	413	-	413	36	449
Issue of shares on exercise of rights	147,297	-	-	147,297	-	147,297
Issue of shares on exercise of share options	1,810	-	-	1,810	-	1,810
Issue of shares by a subsidiary company to minority shareholders	-	-	-	-	53	53
Purchase of treasury shares	-	(2,516)	-	(2,516)	-	(2,516)
Ordinary and special cash dividends paid	-	-	(47,295)	(47,295)	-	(47,295)
Special rights dividend paid	-	-	(147,797)	(147,797)	-	(147,797)
Dividends paid by subsidiary companies to minority shareholders	-	-	-	-	(2,509)	(2,509)
Balance at 31 December 2007	837,423	46,978	623,667	1,508,068	173,480	1,681,548

1 (d)(i) **Statements of Changes in Equity for the company**

	Share capital <u>S\$'000</u>	Other reserves <u>S\$'000</u>	Retained earnings <u>S\$'000</u>	Total <u>S\$'000</u>
Balance at 1 July 2008	837,585	5,161	75,412	918,158
Cash flow hedges	-	(8,339)	-	(8,339)
Net loss recognised directly in equity	-	(8,339)	-	(8,339)
Net profit	-	-	3,344	3,344
Total recognised gains/(losses)	-	(8,339)	3,344	(4,995)
Cost of share-based payment	-	683	-	683
Issue of shares on exercise of share options	34	-	-	34
Purchase of treasury shares	-	(6,637)	-	(6,637)
Ordinary and special cash dividends paid	-	-	(47,108)	(47,108)
Balance at 31 December 2008	837,619	(9,132)	31,648	860,135

	Share capital <u>S\$'000</u>	Other reserves <u>S\$'000</u>	Retained earnings <u>S\$'000</u>	Total <u>S\$'000</u>
Balance at 1 July 2007	688,316	(1,622)	239,690	926,384
Cash flow hedges	-	(1,219)	-	(1,219)
Net loss recognised directly in equity	-	(1,219)	-	(1,219)
Net loss	-	-	(12,831)	(12,831)
Total recognised losses	-	(1,219)	(12,831)	(14,050)
Cost of share-based payment	-	372	-	372
Issue of shares on exercise of rights	147,297	-	-	147,297
Issue of shares on exercise of share options	1,810	-	-	1,810
Purchase of treasury shares	-	(2,516)	-	(2,516)
Ordinary and special cash dividends paid	-	-	(47,295)	(47,295)
Special rights dividend paid	-	-	(147,797)	(147,797)
Balance at 31 December 2007	837,423	(4,985)	31,767	864,205

1 (d)(ii) **Changes in the company's share capital**

	<u>Number of shares</u>
<u>Issued ordinary shares</u>	
Balance at 1 October 2008	793,374,660
Issue of shares pursuant to Share Option Scheme	12,100
Balance at 31 December 2008	<u>793,386,760</u>

Included in the above issued ordinary shares as at 31 December 2008 was 10,367,000 treasury shares (31 December 2007: 937,000) held by the Company. At 31 December 2008, the total number of unexercised options under the Share Option Scheme was 4,995,800 (31 December 2007: 5,547,300).

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

The above figures have not been audited and reviewed by the Company's auditors.

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

Not applicable.

- 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 adopted the same accounting policies and methods of computation as in the audited financial statements for the financial year ended 30 June 2008.

- 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.**

Not applicable.

- 6 **Earnings per ordinary share**

	Group		Group	
	Half Year ended 31-Dec-08	Half Year ended 31-Dec-07	Second Quarter ended 31-Dec-08	Second Quarter ended 31-Dec-07
(a) Based on the weighted average number of ordinary shares issued excluding treasury shares (cents)	6.80	14.39	2.67	5.81
(b) On a fully diluted basis (cents)	6.80	14.37	2.67	5.80

- 7 **Net asset value per ordinary share**

	Group		Company	
	As at 31-Dec-08	As at 30-Jun-08	As at 31-Dec-08	As at 30-Jun-08
Net asset value per ordinary share based on issued share capital excluding treasury shares (S\$)	2.04	2.03	1.10	1.16

8 **Review of performance of the group**

For the half year ended 31 December 2008 (“current period”), the Group achieved a revenue of S\$226.3 million. This represents an increase of 7% from the S\$210.9 million recorded in the half year ended 31 December 2007 (“corresponding period”). This increase is mainly attributable to the higher contributions from the development properties division. Revenue for the current period came largely from the units sold in Helios Residences, The Riverine by the Park and Belle Vue Residences in Singapore, and Sering Ukay in Malaysia.

The Group’s operating profit in the corresponding period included a one-off gain on disposal of an available-for-sale financial asset amounting to S\$27.5 million. Excluding this gain, the Group’s operating profit increased by 34% from S\$42.6 million to S\$57.2 million in the current period. This increase is primarily due to the higher profit recognition from the development properties division.

The Group’s share of profits of associated and joint venture companies decreased from S\$75.9 million to S\$25.8 million in the current period, due to the lower contribution from VisionCrest on the sale of residential units. This has led to the decrease in the Group’s net profit attributable to shareholders from S\$105.3 million to S\$53.5 million in the current period.

As at 31 December 2008, the Group’s net gearing ratio was 0.47 times as compared to 0.40 times as at 30 June 2008.

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

The current announced results are in line with the prospect statement previously disclosed to shareholders in the results announcement for the first quarter ended 30 September 2008.

10 **Commentary 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.**

New home sales in Singapore fell from 14,811 units in 2007 to 4,264 units in 2008 and the URA residential property price index declined by 4.7% in 2008. In the fourth quarter of 2008, the Singapore economy had contracted by 3.7% over the same period last year. The economic prospect for 2009 does not appear encouraging. The Ministry of Trade and Industry has announced that the GDP growth is likely to be -5.0% to -2.0% in 2009.

The property market conditions in 2009 are expected to remain challenging. In view of this, the Group will defer the construction of those residential projects where the construction contracts have yet to be awarded and will continue to monitor the market closely.

11 **Dividend**

(a) **Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on?

None.

(b) **Corresponding Period of the immediately Preceding Financial Year**

None.

(c) **The date the dividend is payable.**

Not applicable.

11 **Dividend** (continued)

- (d) **The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividends are determined.**

Not applicable.

12 **If no dividend has been declared / (recommended), a statement to that effect.**

No dividend has been declared / recommended for the half year ended 31 December 2008.

13 **Confirmation by the Board of Directors**

The Directors confirm that to the best of their knowledge, nothing has come to their attention which may render the financial results for the half year ended 31 December 2008 to be false or misleading.

BY ORDER OF THE BOARD

Gabrielle Tan
Company Secretary
Singapore
6 February 2009