

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

FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2009

The Directors of Wing Tai Holdings Limited are pleased to announce the unaudited consolidated results for the first quarter ended 30 September 2009.

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

	Group		
	First Quarter ended 30-Sep-09 S\$'000	First Quarter ended 30-Sep-08 S\$'000	% + / (-)
Revenue	277,184	134,304	106
Cost of sales	<u>(157,105)</u>	<u>(58,976)</u>	166
Gross profit	120,079	75,328	59
Other gains – net	2,165	3,953	(45)
Expenses			
- Distribution	(18,693)	(19,022)	(2)
- Administrative	(15,672)	(16,807)	(7)
- Other	<u>(2,276)</u>	<u>(2,360)</u>	(4)
Operating profit	85,603	41,092	108
Finance costs	(7,023)	(5,347)	31
Share of profit of associated and joint venture companies	<u>6,431</u>	<u>7,765</u>	(17)
Profit before income tax	85,011	43,510	95
Income tax expense	<u>(17,035)</u>	<u>(8,228)</u>	107
Total profit	<u>67,976</u>	<u>35,282</u>	93
Attributable to:			
Equity holders of the Company	46,326	32,592	42
Minority interests	<u>21,650</u>	<u>2,690</u>	n.m.
	<u>67,976</u>	<u>35,282</u>	93

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

	Group		
	First Quarter ended 30-Sep-09 S\$'000	First Quarter ended 30-Sep-08 S\$'000	% + / (-)
(A) Investment income	73	340	(79)
(B) Interest income	1,317	1,472	(11)
(C) Finance costs	(7,023)	(5,347)	31
(D) Depreciation and amortisation	(2,963)	(3,031)	(2)
(E) Allowance for doubtful debts	(7)	(236)	(97)
(F) Write-back of allowance/(allowance) for stock obsolescence	212	(736)	n.m.
(G) Impairment in value of investments	-	-	-
(H) Foreign exchange (loss)/gain	(526)	106	n.m.
(I) Adjustment for tax in respect of prior years	-	-	-
(J) Gain on disposal of property, plant and equipment	427	47	n.m.
(K) Exceptional items	-	-	-
(L) Extraordinary items	-	-	-

Note:-

n.m. - not meaningful

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

	Group		Company	
	As at 30-Sep-09 S\$'000	As at 30-Jun-09 S\$'000	As at 30-Sep-09 S\$'000	As at 30-Jun-09 S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	418,585	389,574	181,351	168,673
Trade and other receivables	53,747	54,940	441,714	462,796
Inventories	18,254	16,726	-	-
Development properties	1,296,768	1,230,621	-	-
Tax recoverable	2,569	2,789	-	-
Other current assets	38,044	31,571	1,798	1,434
	1,827,967	1,726,221	624,863	632,903
Non-current assets				
Derivative financial instruments	-	296	-	139
Available-for-sale financial assets	7,170	7,170	3,189	3,189
Trade and other receivables	232,146	232,688	459,552	454,816
Investments in associated companies	487,570	497,578	-	-
Investments in joint venture companies	157,897	152,942	-	-
Investments in subsidiary companies	-	-	250,369	250,369
Investment properties	480,190	480,883	82,000	82,000
Property, plant and equipment	169,553	171,157	12,380	12,559
	1,534,526	1,542,714	807,490	803,072
Total assets	3,362,493	3,268,935	1,432,353	1,435,975
LIABILITIES				
Current liabilities				
Trade and other payables	151,932	124,485	220,378	221,568
Current income tax liabilities	22,761	19,435	2,873	2,873
Borrowings	59,425	70,675	50,000	50,000
	234,118	214,595	273,251	274,441
Non-current liabilities				
Derivative financial instruments	31,068	25,028	4,645	3,365
Borrowings	1,128,370	1,124,457	245,000	245,000
Deferred income tax liabilities	90,159	77,156	2,126	2,126
Other non-current liabilities	111,915	112,025	9,858	9,780
	1,361,512	1,338,666	261,629	260,271
Total liabilities	1,595,630	1,553,261	534,880	534,712
NET ASSETS	1,766,863	1,715,674	897,473	901,263
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	837,711	837,690	837,711	837,690
Other reserves	(13,126)	2,883	(10,554)	(9,669)
Retained earnings	782,126	735,343	70,316	73,242
	1,606,711	1,575,916	897,473	901,263
Minority interests	160,152	139,758	-	-
TOTAL EQUITY	1,766,863	1,715,674	897,473	901,263

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 decrease in the Group's investments in associated companies is mainly due to the currency translation loss on the foreign associated companies.
- The increase in the Group's trade and other payables is largely attributable to the accrual of costs incurred on development properties.
- The decrease in the Group's current borrowings is primarily due to the repayment of bank loans.
- The increase in the Group's deferred income tax liabilities is mainly attributable to the deferred tax on profit recognized from the sale of residential property units.
- The decrease in the Company's current trade and other receivables is largely due to the repayment of loans by subsidiary companies.

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-Sep-09		As at 30-Jun-09	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
5,748	53,677	6,574	64,101

Amount repayable after one year

As at 30-Sep-09		As at 30-Jun-09	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
733,348	395,022	725,876	398,581

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) **Statement of Cash Flows**

	Group	
	First Quarter ended 30-Sep-09 S\$'000	First Quarter ended 30-Sep-08 S\$'000
Cash flows from operating activities		
Total profit	67,976	35,282
Adjustments for:		
Non-cash items	21,418	6,103
Operating cash flow before working capital changes	89,394	41,385
Changes in operating assets and liabilities:		
Development properties	(63,429)	(53,161)
Other current assets/liabilities	15,716	175
Cash generated from/(used in) operations	41,681	(11,601)
Income tax paid	(368)	(668)
Net cash generated from/(used in) operating activities	41,313	(12,269)
Cash flows from investing activities		
Acquisition of additional interest in a subsidiary company	-	(132)
Purchases of property, plant and equipment	(4,192)	(1,467)
Proceeds from disposal of property, plant and equipment	2,666	-
Repayment/(advancement) of the loans to associated and joint venture companies	292	(3,034)
Dividends received	73	18,640
Interest received	1,348	663
Net cash generated from investing activities	187	14,670
Cash flows from financing activities		
Proceeds from issue of ordinary shares	21	26
Proceeds from issue of ordinary shares by subsidiary company to minority shareholders	185	-
Advancement/(repayment) of the loans from minority shareholders	498	(22,682)
(Repayment of)/proceeds from borrowings	(3,415)	13,166
Interest paid	(8,066)	(6,131)
Purchase of treasury shares	-	(3,684)
Net cash used in financing activities	(10,777)	(19,305)
Net increase/(decrease) in cash and cash equivalents	30,723	(16,904)
Cash and cash equivalents at beginning of financial period	389,574	445,106
Effects of currency translation on cash and cash equivalents	(1,712)	1,298
Cash and cash equivalents at end of financial period *	418,585	429,500

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

Note:-

- The increase in the Group's cash and cash equivalents is mainly attributable to the cash generated from operating activities.

1(d) **Statement of Comprehensive Income**

	Group		%
	First Quarter ended 30-Sep-09 S\$'000	First Quarter ended 30-Sep-08 S\$'000	
Total profit	67,976	35,282	93
Other comprehensive income/(expense):			
Cash flow hedges	(5,901)	(9,547)	(38)
Currency translation differences	(13,102)	13,126	n.m.
Share of other comprehensive income of associated and joint venture companies	1,350	1,871	(28)
	(17,653)	5,450	n.m.
Total comprehensive income	50,323	40,732	24
Attributable to:			
Equity holders of the Company	30,241	38,883	(22)
Minority interests	20,082	1,849	n.m.
	50,323	40,732	24

Note:-

n.m. - not meaningful

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

	Attributable to equity holders of the Company				Minority interests	Total equity
	Share capital	Other reserves	Retained earnings	Total		
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Balance at 1 July 2009	837,690	2,883	735,343	1,575,916	139,758	1,715,674
Total comprehensive income/ (expense)	-	(16,542)	46,783	30,241	20,082	50,323
Cost of share-based payment	-	533	-	533	-	533
Issue of shares on exercise of share options	21	-	-	21	-	21
Issue of shares by a subsidiary company to minority shareholders	-	-	-	-	312	312
Balance at 30 September 2009	837,711	(13,126)	782,126	1,606,711	160,152	1,766,863

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

	Attributable to equity holders of the Company				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 2008	837,585	5,880	762,059	1,605,524	146,011	1,751,535
Total comprehensive income	-	6,291	32,592	38,883	1,849	40,732
Cost of share-based payment	-	485	-	485	7	492
Issue of shares on exercise of share options	26	-	-	26	-	26
Purchase of treasury shares	-	(3,684)	-	(3,684)	-	(3,684)
Acquisition of additional interest in a subsidiary company	-	-	-	-	(235)	(235)
Balance at 30 September 2008	837,611	8,972	794,651	1,641,234	147,632	1,788,866

1(e)(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 equity <u>S\$'000</u>
Balance at 1 July 2009	837,690	(9,669)	73,242	901,263
Total comprehensive expense	-	(1,418)	(2,926)	(4,344)
Cost of share-based payment	-	533	-	533
Issue of shares on exercise of share options	21	-	-	21
Balance at 30 September 2009	837,711	(10,554)	70,316	897,473

	Share capital <u>S\$'000</u>	Other reserves <u>S\$'000</u>	Retained earnings <u>S\$'000</u>	Total equity <u>S\$'000</u>
Balance at 1 July 2008	837,585	5,161	75,412	918,158
Total comprehensive income/(expense)	-	(4,724)	1,877	(2,847)
Cost of share-based payment	-	475	-	475
Issue of shares on exercise of share options	26	-	-	26
Purchase of treasury shares	-	(3,684)	-	(3,684)
Balance at 30 September 2008	837,611	(2,772)	77,289	912,128

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

	<u>Number of shares</u>
<u>Issued ordinary shares</u>	
Balance at 1 July 2009	793,460,460
Issue of shares pursuant to Share Option Scheme	<u>23,100</u>
Balance at 30 September 2009	<u><u>793,483,560</u></u>

Included in the above issued ordinary shares as at 30 September 2009 was 15,822,000 treasury shares (30 September 2008: 6,364,000) held by the Company. As at 30 September 2009, the total number of unexercised options under the Share Option Scheme was 4,775,500 (30 September 2008: 5,007,900).

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 has applied the same accounting policies and methods of computation as in the audited financial statements for the financial year ended 30 June 2009.

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	
	First Quarter ended <u>30-Sep-09</u>	First Quarter ended <u>30-Sep-08</u>
(a) Based on the weighted average number of ordinary shares issued excluding treasury shares (cents)	5.96	4.13
(b) On a fully diluted basis (cents)	<u>5.94</u>	<u>4.13</u>

7 **Net asset value per ordinary share**

	Group		Company	
	<u>As at 30-Sep-09</u>	<u>As at 30-Jun-09</u>	<u>As at 30-Sep-09</u>	<u>As at 30-Jun-09</u>
Net asset value per ordinary share based on issued share capital excluding treasury shares (S\$)	<u>2.07</u>	<u>2.03</u>	<u>1.15</u>	<u>1.16</u>

8 **Review of performance of the group**

For the three months ended 30 September 2009 (“current quarter”), the Group achieved a revenue of S\$277.2 million as compared to S\$134.3 million recorded in the three months ended 30 September 2008 (“corresponding quarter”). This increase of 106% in revenue is mainly due to the higher contributions from the development properties division as more units were sold in the current quarter. These include units sold in Belle Vue Residences and the progressive sales recognized from The Riverine by the Park in Singapore.

Profits recognized from the above projects have also contributed to the increase in the Group’s operating profit from S\$41.1 million to S\$85.6 million, an increase of 108%. The Group’s net profit attributable to shareholders increased by 42% from S\$32.6 million to S\$46.3 million in the current quarter as a result of the higher operating profit achieved.

The Group’s net gearing ratio was reduced to 0.48 times as at 30 September 2009, as compared to 0.51 times as at 30 June 2009.

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 financial year ended 30 June 2009.

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**

The advance estimates show that the Singapore economy expanded by 0.8% year-on-year in the third quarter of 2009. The Ministry of Trade and Industry has upgraded the economic growth forecast for 2009 from a range of -6% to -4% to a range of -2.5% to -2.0%.

The URA residential property price index increased by 15.8% quarter-on-quarter in the third quarter of 2009, compared with the 4.7% decline in the previous quarter. The total number of new residential units sold islandwide in the first nine months of 2009 is 12,828 units, which has exceeded the 4,264 new units sold in the whole of 2008.

In the current quarter, the Group sold about 300 units with sale proceeds totalling about S\$650 million from Belle Vue Residences, Ascentia Sky by Tanglin and The Floridian. The Group will continue to keep a close watch on the market and will release more residential units for sale at the most appropriate time.

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.

(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 first quarter ended 30 September 2009.

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 first quarter ended 30 September 2009 to be false or misleading.

BY ORDER OF THE BOARD

Gabrielle Tan
Company Secretary
Singapore
28 October 2009