



# CWT LIMITED

(Company Registration No: 197000498M)

CWTACP07.11.10

## Third Quarter Financial Statement for the Period Ended 30/09/2007

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

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

1(a)(i) Consolidated Profit and Loss Account  
For the three months ended 30 September 2007

	Three months ended 30 September			Nine months ended 30 September		
	2007 S\$'000	2006 S\$'000	% Change	2007 S\$'000	2006 S\$'000	% Change
<b>Revenue</b>	127,954	87,511	46%	365,843	246,168	49%
Cost Of Sales	(111,613)	(81,236)	37%	(321,614)	(226,593)	42%
<b>Gross Profits</b>	<b>16,341</b>	<b>6,275</b>	<b>160%</b>	<b>44,229</b>	<b>19,575</b>	<b>126%</b>
Other Operating Income	1,243	16,621	-93%	7,168	16,916	-58%
Administrative Expenses	(7,956)	(3,059)	160%	(23,156)	(9,343)	148%
Other Operating Expenses	(1,317)	(2,108)	-38%	(2,844)	(2,714)	5%
Share Of Profit from						
- Jointly-controlled entities	495	227	118%	1,445	687	110%
- Associates	882	1,618	-45%	2,128	3,065	-31%
Sub total	(6,653)	13,299	-150%	(15,259)	8,611	-277%
<b>Profit before interest &amp; tax</b>	<b>9,688</b>	<b>19,574</b>	<b>-51%</b>	<b>28,970</b>	<b>28,186</b>	<b>3%</b>
Finance Income	310	915	-66%	855	1,136	-25%
Finance Costs	(671)	(402)	67%	(1,404)	(1,271)	10%
<b>Profit before taxation</b>	<b>9,327</b>	<b>20,087</b>	<b>-54%</b>	<b>28,421</b>	<b>28,051</b>	<b>1%</b>
Taxation	(2,024)	(2,537)	-20%	(4,346)	(4,217)	3%
<b>Profit after taxation</b>	<b>7,303</b>	<b>17,550</b>	<b>-58%</b>	<b>24,075</b>	<b>23,834</b>	<b>1%</b>
<b>Attributable to:</b>						
Equity holders of the Company	6,725	14,413	-53%	22,266	20,280	10%
Minority Interest (MI)	578	3,137	-82%	1,809	3,554	-49%
	<b>7,303</b>	<b>17,550</b>	<b>-58%</b>	<b>24,075</b>	<b>23,834</b>	<b>1%</b>

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

**Additional Disclosure items**

	Three months ended 30 September		Nine months ended 30 September	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Profit on sale of property, plant and equipment	6	15,529	157	15,538
Amortisation of deferred gain	1,500	1,080	4,500	1,080
Impairment loss of financial assets	-	515	-	515
Profit on sale of financial assets	-	-	1,118	-
Negative goodwill arising from acquisition of a subsidiary	-	889	2,576	975
Loss on sale of other investments	-	-	(2)	(10)
Write back/(Allowance) made for doubtful debts	440	(2)	427	(9)
Bad debts written off	(9)	-	(17)	-
Depreciation and amortisation	(3,376)	(2,145)	(8,528)	(5,232)
Fixed assets written off	-	-	(8)	-
Foreign exchange loss	(291)	(25)	(406)	(455)

**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.**

**1(b)(i) Balance Sheets as at 30 September 2007**

	<u>Group</u>		<u>Company</u>	
	<b>30 Sep 2007 S\$'000</b>	<b>31 Dec 2006 S\$'000</b>	<b>30 Sep 2007 S\$'000</b>	<b>31 Dec 2006 S\$'000</b>
<b>Non-current assets</b>				
Property, plant and equipment	189,560	93,331	84,169	50,968
Lease prepayments	10,981	1,770	-	-
Intangible assets	27,677	18,960	81	182
Subsidiaries	-	-	129,721	70,305
Associates	13,546	12,372	3,598	3,598
Jointly-controlled entities	10,399	9,141	5,299	5,189
Financial assets	37,540	41,262	20,800	23,560
Non-current receivables	2,729	2,437	-	2,000
Deferred tax assets	862	716	-	-
Other non-current assets	24	35	3	3
	<u>293,318</u>	<u>180,024</u>	<u>243,671</u>	<u>155,805</u>
<b>Current assets</b>				
Inventories	3,287	2,367	342	19
Trade and other receivables	123,021	83,809	79,245	25,286
Cash and cash equivalents	39,818	41,809	284	8,028
Tax recoverable	263	304	409	-
	<u>166,389</u>	<u>128,289</u>	<u>80,280</u>	<u>33,333</u>
<b>Total assets</b>	<u>459,707</u>	<u>308,313</u>	<u>323,951</u>	<u>189,138</u>
<b>Equity attributable to equity holders of the parent</b>				
Share capital	149,390	65,132	149,390	65,132
Reserves	49,833	72,406	3,145	47,640
	<u>199,223</u>	<u>137,538</u>	<u>152,535</u>	<u>112,772</u>
<b>Minority interests</b>	<u>12,003</u>	<u>7,838</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>	<u>211,226</u>	<u>145,376</u>	<u>152,535</u>	<u>112,772</u>
<b>Non-Current Liabilities</b>				
Interest bearing liabilities	96,684	20,311	89,717	9,974
Deferred tax liabilities	3,179	4,831	1,050	1,050
Deferred gain	34,920	39,420	24,712	27,899
	<u>134,783</u>	<u>64,562</u>	<u>115,479</u>	<u>38,923</u>
<b>Current liabilities</b>				
Trade and other payables	83,249	67,134	39,275	24,099
Interest-bearing liabilities	17,422	6,457	12,118	1,889
Current tax payable	5,278	16,531	-	6,911
Deferred Gain	6,000	6,000	4,250	4,250
Provisions	1,749	2,253	294	294
	<u>113,698</u>	<u>98,375</u>	<u>55,937</u>	<u>37,443</u>
<b>Total liabilities</b>	<u>248,481</u>	<u>162,937</u>	<u>171,416</u>	<u>76,366</u>
<b>Total equity and liabilities</b>	<u>459,707</u>	<u>308,313</u>	<u>323,951</u>	<u>189,138</u>

## Notes on the Balance Sheet

- a) Increase in Property, Plant and Equipment relates to assets arising from acquisitions and capital expenditure on new logistics hubs;
- b) Increase in lease prepayments relates mainly to land use rights in a subsidiary, CWT Tianjin Logistics Hub Co., Ltd
- c) Increase in Intangible Assets arising mainly from acquisition of new subsidiaries;
- d) Increase in Investment in Subsidiaries relates mainly to the acquisition of OCWS Logistics Pte Ltd and new business set ups;
- e) Increase in associates and jointly-control entities is accounted for mainly by the share of earnings and reserves for the current period;
- f) Financial assets relate to REIT units held;
- g) The increase in Trade and Other Receivables of the Company relates mainly to inter-company receivables including loan extended to companies of the group;

The increase in Trade and Other Receivables for the Group can be accounted for by the newly acquired subsidiaries and the new business set-ups.

- h) Share Capital – During the financial year, the company has increased its paid up capital amounting to S\$84,258,000 by way of rights issue and private placement.
- i) Deferred Gains arising from the sale and leaseback of two properties has been accounted for based on the Financial Reporting Standard 17 on Leases. The deferred gain shall be released to income statement over the 8-year leaseback period;
- j) Trade and Other Payables of the Company comprise trade creditors, accrued expenses, and inter-company payables;

The Group Trade and Other Payables comprise trade creditors, accrued expenses and non-trade payables.

- k) The increase in Interest Bearing Liabilities under the Company was for the purpose of financing the acquisition of two new subsidiaries and warehouse development projects.

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

#### Amount repayable in one year or less, or on demand.

As at 30/09/2007		As at 31/12/2006	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
7,007	10,415	3,144	3,313

#### Amount repayable after one year

As at 30/09/2007		As at 31/12/2006	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
23,550	73,134	16,561	3,750

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

1( c)(i) **Consolidated Statement of Cash Flows  
For the three months ended 30 September 2007**

	<b>2007</b>	<b>2006</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>		
Profit before taxation	9,327	20,087
Adjustments for:		
Interest expense	671	403
Interest income	(310)	(915)
Depreciation of property, plant and equipment	2,812	705
Fixed assets written down	-	(1)
Gain on disposal of		
- property, plant and equipment	(7)	(15,529)
- subsidiary	-	(8)
Impairment loss of financial assets	-	515
Share of profit of:		
- associates	(882)	(1,618)
- jointly-controlled entities	(495)	(227)
Amortisation of:		
- lease prepayments	10	-
- intangible assets	564	1,440
- deferred gain	(1,500)	(1,080)
Negative goodwill on acquisition of subsidiaries	-	(889)
Operating profit before working capital changes	<u>10,190</u>	<u>2,883</u>
Change in working capital:		
- Inventories	(354)	(554)
- Trade and other receivables	(15,641)	(12,656)
- Trade and other payables	1,197	6,581
- Provisions	(237)	-
Cash generated from operations	<u>(4,845)</u>	<u>(3,746)</u>
Income tax paid	(7,232)	(604)
Provision paid	(55)	-
Net cash used in operating activities	<u><u>(12,132)</u></u>	<u><u>(4,350)</u></u>
<b>Investing activities</b>		
Interest received	310	-
Acquisition of interest in associates	-	(155)
Capital project development and purchase of property, plant and equipment	-	(11,648)

	2007 S\$'000	2006 S\$'000
Purchase of:		
- intangible assets	(24)	33
- financial assets	-	(35,000)
- property, plant and equipment	(29,433)	-
Refund of purchase consideration in relation to acquisition of a subsidiary	-	400
Proceeds from disposal of property, plant and equipment	6	145,207
Acquisition of additional equity interest in an existing subsidiary	(2,000)	-
Payment for land leases	(247)	-
Dividend received from:		
- associates	-	1,828
- jointly-controlled activities	110	-
Net cash (used in)/from investing activities	<u>(31,278)</u>	<u>100,665</u>
<b>Financing activities</b>		
Interest expense paid	(671)	(520)
Dividends paid		
- shareholders of the Company	-	(7,205)
- minority shareholders of subsidiaries	-	(3,900)
Capital contribution from minority shareholders	12	604
Decrease in hire purchase and finance lease obligations	(49)	(1)
Proceeds from:		
- short-term borrowings	5,350	3,300
- long-term borrowings	38,750	-
Repayment of:		
- short-term borrowings	(13,000)	(16,250)
- long-term borrowings	(2,509)	(32,114)
Net cash from/(used in) financing activities	<u>27,883</u>	<u>(56,086)</u>
Net (decrease)/increase in cash and cash equivalents	(15,527)	40,229
Cash and cash equivalents at 1 July	55,992	21,094
Effect of exchange rate changes on balance held in foreign currencies	(647)	-
Cash and cash equivalents at 30 September	<u>39,818</u>	<u>61,323</u>

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.

1(d) Statement of Changes in Equity  
For the three months ended 30 September 2007

Group S\$'000	Share capital	Fair value reserve	Revaluation reserve	Currency translation	Statutory reserve	Revenue reserve	Total attributable to equity holders of the parent	Minority interest	Total
At 1 July 2007 (Restated)	149,390	10,429	-	453	262	37,642	198,176	12,926	211,102
Translation differences relating to financial statements of foreign entities investments	-	-	-	(1,194)	-	-	(1,194)	5	(1,189)
Change in fair value of financial assets	-	(4,484)	-	-	-	-	(4,484)	(690)	(5,174)
Net gain recognised directly in equity	-	(4,484)	-	(1,194)	-	-	(5,678)	(685)	(6,363)
Profit for the quarter	-	-	-	-	-	6,725	6,725	578	7,303
Total recognised income and expense for the quarter	-	(4,484)	-	(1,194)	-	6,725	1,047	(107)	940
Acquisition of shares from a minority shareholder	-	-	-	-	-	-	-	(828)	(828)
Capital contribution by minority shareholders	-	-	-	-	-	-	-	12	12
At 30 September 2007	149,390	5,945	-	(741)	262	44,367	199,223	12,003	211,226

Group S\$'000	Share capital	Fair value reserve	Revaluation reserve	Currency translation	Statutory reserve	Revenue reserve	Total attributable to equity holders of the parent	Minority interest	Total
At 1 July 2006	38,452	49	10,162	336	246	56,433	105,678	12,924	118,602
Translation differences relating to financial statements of foreign entities investments	-	-	-	(49)	-	-	(49)	(6)	(55)
Realisation of revaluation surplus upon disposal of properties	-	-	(10,162)	-	-	-	(10,162)	(5,081)	(15,243)
Net gain recognised directly in equity	-	-	(10,162)	(49)	-	-	(10,211)	(5,087)	(15,298)
Profit for the quarter	-	-	-	-	-	14,413	14,413	3,137	17,550
Total recognised income and expense for the quarter	-	-	(10,162)	(49)	-	14,413	4,202	(1,950)	2,252
Special dividends paid of 3 cents per share less tax at 20%	-	-	-	-	-	(7,205)	(7,205)	-	(7,205)
Capital contribution by minority shareholders	-	-	-	-	-	-	-	604	604
Dividend paid to minority shareholders	-	-	-	-	-	-	-	(3,900)	(3,900)
At 30 September 2006	38,452	49	-	287	246	63,641	102,675	7,678	110,353
<b>Company S\$'000</b>									
At 1 July 2007	149,390	6,645	-	-	-	(962)	155,073	-	155,073
Change in fair value of financial assets	-	(2,875)	-	-	-	-	(2,875)	-	(2,875)
Net gain recognised directly in equity	-	(2,875)	-	-	-	-	(2,875)	-	(2,875)
Profit for the quarter	-	-	-	-	-	337	337	-	337
Total recognised income and expense for the quarter	-	(2,875)	-	-	-	337	(2,538)	-	(2,538)
At 30 September 2007	149,390	3,770	-	-	-	(625)	152,535	-	152,535
At 1 July 2006	38,452	-	-	-	-	35,457	73,909	-	73,909
Profit for the quarter	-	-	-	-	-	15,074	15,074	-	15,074
Total recognised income and expense for the quarter	-	-	-	-	-	15,074	15,074	-	15,074
Special dividends paid of 3% share less tax at 20%	-	-	-	-	-	(7,205)	(7,205)	-	(7,205)
At 30 September 2006	38,452	-	-	-	-	43,326	81,778	-	81,778



- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of shares 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.**

On 6<sup>th</sup> June 2007, a total of 173,101,550 ordinary shares were allotted relating to the rights issue on the basis of one rights share for every two existing shares held by the shareholders. This gave rise to an increase in the Company's share capital from S\$65,131,657 as at 31<sup>st</sup> March 2007 to S\$104,945,014 as at 30<sup>th</sup> June 2007. Total number of ordinary shares issued as at 30<sup>th</sup> June 2007 was 519,304,650 shares (30<sup>th</sup> June 2006: 150,101,550 shares).

On 19<sup>th</sup> June 2007, the Company issued 55 million new ordinary shares in the capital of the Company at an issued price of S\$0.83 per share.

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

The figures have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a 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 in the financial statements for the current financial period compared with those for the audited financial statements for the year ended 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.**

Please see item 4 above.

- 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.**

EPS (cents)	Three months ended 30 September	
	2007	2006
(a) Basic	1.33	3.62
(b) Diluted	1.33	3.62
Based weighted average number of ordinary shares in issue (in million)	505.6	398.0

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**

The NAV per ordinary share for 30 September 2007 and 31 December 2006 was computed based on the share base of 574,304,650 and 346,203,100 respectively.

	30 September 2007	31 December 2006
<b>NAV per ordinary share (cents)</b>		
- Group	34.69	39.73
- Company	26.56	32.57

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.**

#### **Group Financial Highlights**

Turnover increased from \$87.5 million in 3<sup>rd</sup> Quarter 2006 ("Q306") to \$128 million in 3<sup>rd</sup> Quarter 2007 ("Q307") while Profit After Tax ("PAT") slid to \$7.3 million in Q307 from \$17.5 million in the corresponding period last year. PAT for Q306 comprises a post tax property gain of \$14.1 million (property gain after minority interest was \$10.6 million). Excluding the property gain, PAT for Q307 would be 109% higher than Q306.

Group Turnover for 1<sup>st</sup> nine months was \$366 million while PAT hit \$24 million. Excluding the property gain of \$14.1 million from PAT 2006, Operating PAT for 9 months 2007 was approximately 148% higher than the same period last year.

The growth in PAT in the current period was contributed largely by Commodity Logistics and Container Logistics. Commodity Logistics was added to the Group from Oct 2006 while Container Logistics was added from Feb 2007.

The new businesses also added administrative overheads, which saw a 148% increase for the first 9 months. Cost of sales increased in tandem with business volume growth.

The Earnings Per Share for the current quarter has been computed on the new share capital after the rights issue and placement in Jun 2007. Earnings Per Share for the same quarter last year included the property gain.

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

The current announced results are generally in line with expectation.

**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.**

Logistics Facilities Development

CWT Cold Hub of a gross floor area of **330,000 sq ft** completed in June 2007 will be close to 100% filled by year end.

CWT Logistics Hub 2 of a gross floor area of **545,000 sq ft** scheduled for completion by end 2007 has been fully booked.

Phase 1 of CWT Commodity Hub of a gross floor area **1.07 million** sq ft is scheduled for completion by first half 2008.

In view of strong demand for warehouse space, CWT has embarked on the Phase 2 development of CWT Commodity Hub to provide an additional **1.23 million** sq ft of logistics capacity. Construction will commence in December 07. About 500,000 sq ft of it would be ready by mid 2008 and the balance by end 2008.

Phase 2 of CWT Shanghai Logistics Hub will be completed by end 2007. In total, the Hub offers a capacity of about 157,000 sq ft, catering to chemical logistics requirements of CWT China Logistics operations.

Other logistics hubs being pursued overseas are: CWT Logistics Hub in Tianjin (China), Russia, Vietnam and Ukraine. Land for these facilities had been secured and development of the facilities will be paced according to demands.

Acquisition

In October 2007, CWT's wholly-owned subsidiary, C&P Asia Pte Ltd acquired 80% stake in JVT Shipping B.V., a Company incorporated in Rotterdam dealing in Commodity Logistics, for a consideration of Euro 560,000. The acquisition is part of the Group's strategic plan to further enhance and broaden its scope of commodity logistics services.

Joint venture

In October 2007, CWT entered into a joint venture with SPL Co., Ltd, a consortium of local logistics professionals to develop logistics facilities in Vietnam. A land of 57,000 sqm located within Hiep Phuoc Industrial Park (20 KM away from the Ho Chi Minh City) has been secured and the development will be in phases comprising a container freight station and a warehouse with ambient and cold storage facilities.

### Sale & Leaseback

On 31 October 2007, the Group completed the sale & leaseback of a logistic property with Cambridge Industrial Trust for a total consideration of S\$32.5 million. The transaction would yield a gain of S\$9 million, which will be accounted for in the 4<sup>th</sup> quarter of 2007.

#### **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.**

Not Applicable.

### **PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

#### **13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not Applicable

#### **14. In the review of the performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not Applicable

#### **15. A breakdown of sales.**

Not Applicable.

- 16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not Applicable

- 17. Interested Party Transactions**

Not Applicable

- 18. Negative Assurance on Interim Financial Statement**

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the 3Q07 financial results to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

**LYE SIEW HONG  
COMPANY SECRETARY  
13 November 2007**