



CWT DISTRIBUTION LIMITED

(Company Registration No.: 197000498M)

Full Year Financial Statement And Dividend Announcement for the Period 31 December 2004

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 year ended 31 December 2004

	FY 2004	Restated (Note 1) FY 2003	% Chng
	S\$'000	S\$'000	
Revenue	239,687	206,685	16
Cost Of Sales	(224,433)	(186,526)	20
Gross Profits	<u>15,254</u>	<u>20,159</u>	<u>(24)</u>
Other Operating Income	1,458	2,636	(45)
Administrative Expenses	(13,316)	(14,918)	(11)
Other Operating Expenses	(1,107)	(2,247)	(51)
Loss on deconsolidation of subsidiaries	-	(451)	NM
Share Of (Loss)/Profit			
- Associates	(350)	(397)	(12)
- Jointly-controlled	1,494	993	50
Sub-total	<u>(11,820)</u>	<u>(14,384)</u>	<u>(18)</u>
Profit before interest & tax	3,434	5,775	(41)
Finance Income	186	144	29
Finance Costs	(508)	(729)	(30)
Profit before taxation	<u>3,112</u>	<u>5,190</u>	<u>(40)</u>
Taxation	(128)	(2,234)	(94)
Profit after taxation	<u>2,984</u>	<u>2,956</u>	<u>1</u>
Minority Interest (MI)	(1,362)	(1,959)	(30)
Net Profit attributable to shareholders	<u>1,622</u>	<u>997</u>	<u>63</u>

NM denotes not meaningful.

Note 1:

The 2003 comparatives had been restated to take into consideration the change in accounting policy for consolidation of its jointly owned entities from proportionate accounting to equity accounting and some cost reclassifications.

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

Additional Disclosure items

	2004	Restated (Note 1)	%
	\$'000	2003	Chng
		\$'000	
Allowance for doubtful receivables	269	838	(68)
Amortisation of Goodwill	310	307	1
Amortisation of intangible assets	147	225	(35)
Depreciation	5,037	5,459	(8)
Foreign Exchange loss	602	165	265
Inventory write off	35	0	NM
Gain on sale of property, plant and equipment	(37)	(210)	(82)
Gain on sale of associates	(556)	0	NM
Gain on sale of subsidiary	0	(1,331)	NM
Gain on sale of club membership	0	(4)	NM
Loss on deconsolidation of subsidiaries	0	451	NM
Provision for diminution in investment	4	802	NM
Provision for impairment loss in fixed assets	157	0	NM
Waiver of debts by creditors	0	350	NM

NM denotes not meaningful.

Note 1:

The 2003 comparatives had been restated to take into consideration the change in accounting policy for consolidation of its jointly owned entities from proportionate accounting to equity accounting.

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 31 December 2004

	Group		Company	
	2004	Restated (Note 1) 2003	2004	2003
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Intangible Assets	189	136	113	30
Property, plant and equipment	95,195	98,950	68,599	71,301
Goodwill on consolidation	2,357	2,665	-	-
Investments in subsidiaries	-	-	18,674	18,674
Investments in associates	2,594	2,746	1,138	1,438
Investments in jointly-controlled entities	7,110	6,128	4,092	4,092
Other investments	165	169	92	95
Other receivables	217	235	79	120
	107,827	111,029	92,787	95,750
Current assets				
Inventories	305	441	252	441
Trade and other receivables	38,890	40,313	17,610	20,451
Cash and cash equivalents	14,315	8,353	5,181	1,291
Tax recoverable	804	465	792	465
	54,314	49,572	23,835	22,648
Less: Current liabilities				
Bank overdrafts (unsecured)	-	461	-	-
Trade and other payables	32,767	25,215	13,615	10,841
Interest-bearing borrowings	24,122	25,516	22,000	23,750
Current tax payable	1,224	1,679	-	-
Provisions	322	77	58	50
	58,435	52,948	35,673	34,641
Net current liabilities	(4,121)	(3,376)	(11,838)	(11,993)
Less: Non-current liabilities				
Interest bearing borrowings	45	1,458	-	-
Deferred tax liabilities	7,272	7,989	5,258	5,802
	7,317	9,447	5,258	5,802
Minority interest	9,913	10,042	-	-
Net assets	86,476	88,164	75,691	77,955
Share capital & Reserves				
Share Capital	37,525	37,525	37,525	37,525
Share Premium	927	927	927	927
Reserves	48,024	49,712	37,239	39,503
	86,476	88,164	75,691	77,955

Note 1:

The 2003 comparatives had been restated to take into consideration the change in accounting policy for consolidation of its jointly owned entities from proportionate accounting to equity accounting.

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

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

As at 31/12/2004		As at 31/12/2003	
Secured	Unsecured	Secured	Unsecured
26	24,096	48	25,468

Amount repayable after one year

As at 31/12/2004		As at 31/12/2003	
Secured	Unsecured	Secured	Unsecured
45	0	58	1,400

Details of any collateral

The secured loans are made by a subsidiary on its leasehold building as well as another subsidiary on its vehicles.

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 31 December 2004**

	2004	Restated (Note 1) 2003
	S\$'000	S\$'000
Operating activities		
Profit from ordinary activities before taxation	3,112	5,190
Adjustments for:		
Interest expense	508	729
Interest income	(186)	(144)
Amortisation of Goodwill	310	307
Amortisation of intangible assets	147	225
Depreciation	5,037	5,459
Gain on sale of property, plant and equipment	(37)	(210)
Gain on sale of subsidiary	-	(1,331)
Gain on sale of investment	(556)	-
Gain on sale of club membership	-	(4)
Loss on deconsolidation of subsidiaries	-	451
Share of loss of associates	350	397
Share of profits of Jointly controlled entities	(1,494)	(993)
Provision for impairment loss of fixed asset	157	-
Provision for diminution in investment	4	802
Allowance for doubtful receivables	269	838
Inventory write off	35	-
Operating profit before working capital changes	<u>7,656</u>	<u>11,716</u>
Change in working capital:-		
Inventories	101	160
Trade and other receivables	(813)	(2,574)
Trade and other payables	<u>7,554</u>	<u>961</u>
Cash generated from operations	14,498	10,263
Income taxes paid	<u>(1,545)</u>	<u>(2,716)</u>
Cash flows from operating activities	<u><u>12,953</u></u>	<u><u>7,547</u></u>
Investing activities		
Interest received	164	146
Dividends received from Jointly controlled	281	309
Dividend received from associates	104	195
Purchase of property, plant and equipment	(1,734)	(1,217)
Purchase of intangible assets	(200)	(120)
Investment in club membership	-	(29)
Loan to director of a subsidiary - repayment / (granted)	-	18
Loan to staff - repayment / (granted)	55	80
Proceed from sale of property, plant and equipment	276	336
Proceed from disposal of long term investment	-	1,454
Proceed from disposal of associates	300	-
Proceed from disposal of investment	-	1,272
Net cash outflow from deconsolidation of subsidiaries	-	(931)
Cash flows generated from/ (used in) investing activities	<u>(754)</u>	<u>1,513</u>
Financing activities		
Interest paid	(365)	(705)
Dividend paid	(3,002)	(2,927)
Repayment of finance lease liabilities	(27)	(202)

Dividends paid to minority interest	(1,117)	(843)
Loan to jointly controlled entities	(50)	
Repayment of loan from jointly controlled entities	748	
Repayment of loan from associates	960	
Proceeds from short-term borrowings	396	20,223
Repayment of short-term borrowings	(1,776)	(23,468)
Repayment of long-term borrowings	(1,400)	(1,415)
Cash flows used in financing activities	<u>(5,633)</u>	<u>(9,337)</u>
Net decrease in cash and cash equivalents	6,566	(277)
Cash and cash equivalents at 1 January	7,892	8,325
Translation differences	(143)	(156)
Cash and cash equivalents at 31 December	<u>14,315</u>	<u>7,892</u>

Note 1:

The 2003 comparatives had been restated to take into consideration the change in accounting policy for consolidation of its jointly owned entities from proportionate accounting to equity accounting.

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 31 December 2004

	Share capital S\$'000	Statutory reserve S\$'000	Share premium S\$'000	Undistributable capital reserve S\$'000	Currency translation S\$'000	Revenue reserve S\$'000	Total S\$'000
At 1 Jan 2004, as previously reported	37,525	51	927	445	228	48,988	88,164
Effect in change in accounting policies for jointly controlled entities		(33)				33	0
At 1 Jan 2004, restated	37,525	18	927	445	228	49,021	88,164
Translation differences					(308)		(308)
Net profit for the year						1,622	1,622
Final dividends paid of 2.5 cents per share at 20% in respect of year 2003						(3,002)	(3,002)
At 31 Dec 2004	37,525	18	927	445	(80)	47,641	86,476
At 1 Jan 2003	37,525	28	927	445	(187)	50,941	89,679
Translation differences					415		415
Statutory Reserve for the year		23				(23)	0
Net profit for the year						997	997
Final dividends paid of 2.5 cents per share at 22% in respect of year 2001						(2,927)	(2,927)
At 31 Dec 2003	37,525	51	927	445	228	48,988	88,164

- 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.**

Not Applicable.

- 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 by our auditors.

- 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.**

Except as mentioned in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements of the current reporting period compared with the audited financial statements as at 31 December 2003.

- 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.**

Effective from December 2004, the Group changed its accounting policy with respect to accounting for its investments in jointly controlled entities from proportionate method to the equity method. The change was to be aligned to the same accounting treatment of the Group's holding company.

The change in accounting policy has no effect on the profit attributable to shareholders and the balance sheet. Below the comparative profit and loss performance arising from the change in accounting policies: -

	Year ended 31/12/2004		Year ended 31/12/2003	
	Before change	After change	Before change	After change
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	248,049	239,687	213,250	206,685
Gross Profits	18,551	15,254	23,564	20,159
Profit before interest & tax	3,649	3,434	6,041	5,775
Profit before tax	3,112	3,112	5,190	5,190
Profit after tax	2,984	2,984	2,956	2,956
Net profit attributable to shareholders	1,622	1,622	997	997

The comparative information for the corresponding prior period has been restated to reflect the change in accounting policy.

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.

In computing the EPS (a) below, the weighted average number of ordinary shares in issue is 150,101,550 (31 December 2003: 150,101,550) during the financial period under review.

There were no new shares issued during the period. The weighted average number of shares used for the computation for the EPS on fully diluted basis (b) is 150,101,550 (31 December 2003: 150,101,550).

EPS (cents)	Year ended 31 December	
	2004	2003
(a) Basic	1.08	0.66
(b) Diluted	1.08	0.66

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

	31 December 2004	31 December 2003
NAV per ordinary share (cents)		
- Group	57.61	58.74
- Company	50.43	51.94

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 (for year ended 2004)

Group Turnover improved by 16% to \$239.7 million in 2004, contributed mainly by the Logistics Segment which comprises Non-Vessel Operating Common Carrier (“NVOCC”) services and integrated logistics solutions. Logistics Segment recorded a 17% increase in turnover.

General rate increase (“GRI”) in freight forwarding pushed up the turnover and cost of sales of NVOCC business. NVOCC profit margins were squeezed due to keen competition amidst changing market conditions. Volume of integrated logistics solutions improved but prices remained soft. As a result, gross profits for the Logistics Segment fell by 27% from \$18.0 million to \$13.5 million in 2004. Group Gross Profit fell by 24% to \$15.3M as compared to 2003.

Other Operating Income fell by 45% or \$1.2 million as 2003 included a gain on disposal of a subsidiary.

Other operating expenses and administrative expenses in total fell 16% or \$2.7 million largely because 2003 included provision for assets impairment and exceptional losses.

Share of profits from jointly controlled entities increased by 50% or \$0.5 million mainly contributed by jointly controlled entities in China and Dubai which registered higher business volume.

Taxation fell 94% or \$2.1 million largely due to a) the company had to account for prior years under-provision of taxes due to finalization of income tax by IRAS in 2003; and b) write back of deferred taxation due to change in tax rate from 22% to 20%.

As a result, Group Net Profits after tax and minority interests improved by 63% to \$1.6 million.

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 having regard to the competitive market condition as anticipated in the previous announcement.

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.

Following a critical review of business processes and resources utilization carried out in the past months, the group has streamlined its logistics operations and trimmed its resources to attain a more cost effective operation. The operating landscape for logistics and NVOCC businesses would remain challenging amidst a more positive business & economic outlook. Keeping cost in check, driving freight centric logistics business and regional business development will be the Group's key focus ahead.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	:	Proposed Final Dividend
Dividend Type	:	Cash
Dividend Rate	:	10% per ordinary share less tax
Par value of shares	:	S\$0.25
Tax rate	:	20%

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	:	Proposed Final Dividend
Dividend Type	:	Cash
Dividend Rate	:	10% per ordinary share less tax
Par value of shares	:	S\$0.25
Tax rate	:	20%

(c) Date payable

Final dividend payable on 27th May 2005 subject to shareholders' approval at the forthcoming Annual General Meeting on 28 April 2005 at 12 p.m.

(d) Books closure date

Notice is hereby given that the transfer books and the Register of Members of the Company will be closed from 9th May 2005 to 10th May 2005 both dates inclusive for the presentation of dividend warrants. Duly completed registrable transfers received by the Company's Share Registrars, Lim Associates (Pte) Ltd, 10 Collyer Quay, #19-08 Ocean Building, Singapore 049315 up to 5 p.m., 6th May 2005 will be registered to determine shareholders' entitlement to the dividend.

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.**

	Logistics		Engineering		Others		Total	
	2004	2003	2004	2003	2004	2003	2004	2003
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and expenses								
Revenue	225,742	192,286	13,637	14,123	308	276	239,687	206,685
Segmental Results	13,450	18,041	1,664	1,927	140	191	15,254	20,159
Unallocated corporate exp							(12,964)	(14,980)
Operating profit							2,290	5,179
Finance costs							(508)	(729)
Finance income							186	144
Share of losses of associates							(350)	(397)
Share of profit of jointly controlled entities							1,494	993
Taxation							(128)	(2,234)
Profit from ord activities							2,984	2,956
Minority interests							(1,362)	(1,959)
Net profit for the year							1,622	997
Assets and Liabilities								
Segment assets	128,556	133,180	5,648	6,398	186	126	134,390	139,704
Interests in Assocs/JVs							9,704	8,874
Unallocated assets							18,047	12,023
Total assets	128,550	133,180	5,648	6,398	186	126	162,141	160,601
Segment liabilities	54,735	50,671	2,521	2,056	-	-	57,256	52,727
Unallocated liabilities							8,496	9,668
Total liabilities	54,735	50,671	2,521	2,056	-	-	65,752	62,395
Other Segmental Information								
Capital expenditure	1,708	1,238	26	27	-	-	1,734	1,265

Depreciation	4,845	5,019	160	216	-	-	5,005	5,235
Unallocated depreciation	33	224					33	224
Amortisation							147	225

	2004 S\$'000	2003 S\$'000
Turnover		
Singapore	139,330	109,533
Asia (excluding Singapore)	90,412	86,543
Others	9,945	10,609
Total	239,687	206,685
Capital expenditure		
Singapore	871	850
Asia (excluding Singapore)	776	408
Others	87	7
Total	1,734	1,265
Total assets		
Singapore	132,245	130,989
Asia (excluding Singapore)	26,559	26,307
Others	3,337	3,305
Total	162,141	160,601

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.

See Para 8.

15. A breakdown of sales.

The Group	2004 S\$000	2003 S\$000
Sales reported for the first quarter	48,729	49,914
Operating profit after tax before deducting MI reported for the first quarter	1,144	707
Sales reported for the second quarter	58,075	52,010
Operating profit after tax before deducting MI reported for the second quarter	703	640
Sales reported for the third quarter	64,060	58,763
Operating profit after tax before deducting MI reported for the third quarter	1,304	3,315
Sales reported for the fourth quarter	68,823	45,998
Operating profit after tax before deducting MI reported for the fourth quarter	(167)	(1,706)

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

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Year 2004 (\$'000)	Year 2003 (\$'000)
Ordinary	3,002	3,002
Preference	-	-
Total	3,002	3,002

17. Interested Party Transactions

	Sales S\$'000	Purchases S\$'000
Suzue-PSA Cold Storage Pte Ltd	44	-
PSA Corporation Limited	-	266

18. Annual General Meeting

The 35th Annual General Meeting will be held on 28th April 2005 at 12 p.m., at CWT Board Room, 24 Jurong Port Road, #03-00, Office Block, CWT Distripark (HQ), Singapore 619097.

BY ORDER OF THE BOARD

**LYE SIEW HONG – LYNDIA GOH
COMPANY SECRETARY
1st March 2005**