



CWT LIMITED

(Company Registration No.: 197000498M)

Unaudited Financial Statement for the Year Ended 31/12/2008

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 2008

| Twelve months ended 31 December | | | |
|--|-----------------|-------------|---------|
| 2008 S\$'000 | 2007 S\$'000 | % Change | |
| Revenue | 602,708 | 534,907 | 13 |
| Cost of sales | (535,771) | (477,249) | 12 |
| Gross Profit | 66,937 | 57,658 | 16 |
| Other income | 78,936 | 18,034 | 338 |
| Administrative expenses | (48,030) | (37,473) | 28 |
| Other operating expenses | (9,802) | (3,044) | 222 |
| Profit from operations | 88,041 | 35,175 | 150 |
| Finance income | 3,852 | 5,634 | (32) |
| Finance costs | (23,192) | (4,668) | 397 |
| Net finance income/(expense) | (19,340) | 966 | (2,102) |
| Share of profit of jointly-controlled entities, net of tax | 1,887 | 1,812 | 4 |
| Share of profit of associates, net of tax | 7,061 | 3,036 | 133 |
| Profit before income tax | 77,649 | 40,989 | 89 |
| Income tax expense | (4,872) | (3,850) | 27 |
| Profit for the year | 72,777 | 37,139 | 96 |
| Attributable to: | | | |
| Equity holders of the Company | 73,912 | 34,786 | 112 |
| Minority interest (MI) | (1,135) | 2,353 | (148) |
| Profit for the year | 72,777 | 37,139 | 96 |

1(a)(ii) Notes to Income Statement

Additional Disclosure items

| | Twelve months ended 31 December | | % Change |
|--|------------------------------------|-----------------|-------------|
| | 2008 S\$'000 | 2007 S\$'000 | |
| Interest income | 1,198 | 1,456 | -18% |
| Profit on disposal of property, plant and equipment | 69,965 | 9,923 | NM |
| Amortisation of deferred gain | 7,824 | 6,085 | 29% |
| Impairment loss on property, plant and equipment | (3,014) | - | NM |
| Impairment loss of available-for-sale financial assets | (18,225) | - | NM |
| Impairment loss of deposits paid for land use rights | (3,630) | - | NM |
| Negative goodwill arising from acquisition of subsidiaries | - | 6,734 | NM |
| Gain/(Loss) on disposal of a jointly-controlled entity | 1,299 | (85) | NM |
| Gain on disposal of associates | 5,421 | - | NM |
| Gain on disposal of available-for-sale financial assets | - | 1,133 | NM |
| Gain on deconsolidation of a subsidiary | 50 | - | NM |
| Allowance made for doubtful debts | (1,469) | (407) | NM |
| Depreciation and amortisation | (18,517) | (12,377) | 50% |
| Foreign exchange loss (net) | (2,052) | (1,142) | 80% |
| Property, plant and equipment written off | (11) | (16) | -31% |
| Available-for-sale financial assets written off | - | (23) | NM |
| Bad debt written off | (492) | (155) | NM |

NM : Not meaningful

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 2008

| | <u>Group</u> | | <u>Company</u> | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
| | 31 Dec 2008 S\$'000 | 31 Dec 2007 S\$'000 | 31 Dec 2008 S\$'000 | 31 Dec 2007 S\$'000 |
| Non-current assets | | | | |
| Property, plant and equipment | 322,145 | 220,869 | 71,478 | 99,519 |
| Intangible assets | 42,360 | 28,548 | 209 | 175 |
| Subsidiaries | - | - | 184,737 | 141,247 |
| Associates | 23,940 | 13,890 | 3,358 | 3,598 |
| Jointly-controlled entities | 10,645 | 10,216 | 5,185 | 5,199 |
| Financial assets | 12,429 | 32,004 | 6,882 | 17,757 |
| Non-current receivables | 3,035 | 3,683 | 6,500 | 6,500 |
| Deferred tax assets | 1,282 | 956 | 204 | - |
| Other non-current assets | 93 | 93 | 3 | 3 |
| | <u>415,929</u> | <u>310,259</u> | <u>278,556</u> | <u>273,998</u> |
| Current assets | | | | |
| Inventories | 1,921 | 1,263 | 725 | 379 |
| Trade and other receivables | 133,121 | 130,591 | 125,938 | 97,199 |
| Cash and cash equivalents | 77,690 | 51,775 | 4,585 | 366 |
| Tax recoverable | 235 | 974 | - | 114 |
| | <u>212,967</u> | <u>184,603</u> | <u>131,248</u> | <u>98,058</u> |
| Total assets | <u>628,896</u> | <u>494,862</u> | <u>409,804</u> | <u>372,056</u> |
| Equity attributable to equity holders of the Company | | | | |
| Share capital | 149,390 | 149,390 | 149,390 | 149,390 |
| Reserves | 116,660 | 55,524 | 56,270 | 14,723 |
| | <u>266,050</u> | <u>204,914</u> | <u>205,660</u> | <u>164,113</u> |
| Minority interests | 16,460 | 11,682 | - | - |
| Total equity | <u>282,510</u> | <u>216,596</u> | <u>205,660</u> | <u>164,113</u> |
| Non-Current liabilities | | | | |
| Financial liabilities | 98,950 | 90,577 | 95,369 | 88,955 |
| Deferred tax liabilities | 4,745 | 3,795 | - | 150 |
| Deferred gain | 44,729 | 36,835 | 31,736 | 23,649 |
| | <u>148,424</u> | <u>131,207</u> | <u>127,105</u> | <u>112,754</u> |
| Current liabilities | | | | |
| Bank overdrafts | 1,003 | - | - | - |
| Trade and other payables | 138,321 | 105,011 | 31,099 | 66,995 |
| Financial liabilities | 39,880 | 26,895 | 37,568 | 23,639 |
| Current tax payable | 6,432 | 6,765 | 345 | - |
| Deferred gain | 10,194 | 6,500 | 7,592 | 4,250 |
| Provisions | 2,132 | 1,888 | 435 | 305 |
| | <u>197,962</u> | <u>147,059</u> | <u>77,039</u> | <u>95,189</u> |
| Total liabilities | <u>346,386</u> | <u>278,266</u> | <u>204,144</u> | <u>207,943</u> |
| Total equity and liabilities | <u>628,896</u> | <u>494,862</u> | <u>409,804</u> | <u>372,056</u> |

Notes on the Balance Sheet

- a) Increase in Property, Plant and Equipment (“PPE”) relates to:
- ✓ Assets of newly acquired businesses and development costs incurred for new logistics hubs including those under construction.
 - ✓ Prepaid land use right and progress payment for leasehold land purchased in China and Vietnam.

The increase in PPE has led to higher depreciation expense.

- b) Increase in intangible assets relate to provisional goodwill of S\$16.1m arising from acquisition of subsidiaries during the year.
- c) Investment in Subsidiaries increased by S\$43m arising from new subsidiaries acquired and subsidiaries formed to undertake logistics infrastructure development projects in Singapore and overseas.
- d) Financial assets relate to REIT units held, which had been revalued to reflect its fair value as at end of 2008.
- e) Non-current receivable of S\$6.5m at the Company level relates to loan extended to a subsidiary.
- f) Trade and other receivables of the Company included other amount receivable from subsidiaries (S\$109.5m), which amount has been used for infrastructure development.

Trade and other receivables at the Group level increased as a result of increased sales in 2008 and businesses acquired in the year, offset by improved collection.

- g) More interest-bearing borrowings have been taken to fund capital projects in 2008.
- h) The decrease in Trade and Other Payables at the Company level is accounted for by loans returned to subsidiaries which was partly offsetted by the increase in accrued expenses (mainly retention amount of construction projects);

The increase in Trade and Other payables at the Group level is consistent with higher cost of sales registered in connection with the overall growth in business volume.

- i) Deferred gains were arising from sale of leaseback of four properties and have been accounted for based on the Financial Reporting Standard 17 on Leases. The deferred gains will be released to income statement over the leaseback period.

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

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

| As at 31/12/2008 | | As at 31/12/2007 | |
|-------------------|---------------------|-------------------|---------------------|
| Secured (S\$'000) | Unsecured (S\$'000) | Secured (S\$'000) | Unsecured (S\$'000) |
| 9,690 | 31,192 | 6,745 | 20,150 |

Amount repayable after one year

| As at 31/12/2008 | | As at 31/12/2007 | |
|-------------------|---------------------|-------------------|---------------------|
| Secured (S\$'000) | Unsecured (S\$'000) | Secured (S\$'000) | Unsecured (S\$'000) |
| 21,220 | 77,730 | 23,397 | 67,180 |

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 year ended 31 December 2008**

| | 2008 | 2007 |
|--|----------------|-----------------|
| | S\$'000 | S\$'000 |
| Operating activities | | |
| Profit before income tax | 77,649 | 40,989 |
| Adjustments for: | | |
| Interest expense | 2,915 | 3,526 |
| Interest income | (1,198) | (1,456) |
| Dividends from available-for-sale financial assets | (2,654) | (3,045) |
| Depreciation of property, plant and equipment | 15,927 | 9,790 |
| (Gain)/loss on disposal of: | | |
| - available-for-sale financial assets | - | (1,133) |
| - property, plant and equipment | (69,965) | (9,923) |
| - associates | (5,421) | - |
| - jointly-controlled entities | (1,299) | 85 |
| Gain on deconsolidation of a subsidiary | (50) | - |
| Share of profit of: | | |
| - associates | (7,061) | (3,036) |
| - jointly-controlled entities | (1,887) | (1,812) |
| Amortisation of: | | |
| - intangible assets | 2,590 | 2,587 |
| - deferred gain | (7,824) | (6,085) |
| Amount written-off for: | | |
| - property, plant and equipment | 11 | 16 |
| - available-for-sale financial assets | - | 23 |
| Negative goodwill arising from acquisition of subsidiaries | - | (6,734) |
| Impairment loss of: | | |
| - available-for-sale financial assets | 18,225 | - |
| - property, plant and equipment | 3,014 | - |
| - deposit paid for land use rights | 3,630 | - |
| | <u>26,602</u> | <u>23,792</u> |
| Changes in working capital:- | | |
| Inventories | (659) | 1,414 |
| Trade and other receivables | 15,672 | (18,619) |
| Trade and other payables | 20,756 | 31,230 |
| Provisions | 213 | (365) |
| Cash generated from operations | <u>62,584</u> | <u>37,452</u> |
| Income taxes paid | <u>(5,656)</u> | <u>(16,155)</u> |
| Cash flows from operating activities | <u>56,928</u> | <u>21,297</u> |

| | 2008 | 2007 |
|---|-----------------|------------------|
| | S\$'000 | S\$'000 |
| Investing activities | | |
| Interest received | 1,017 | 1,456 |
| Dividends received from: | | |
| - associates | 1,513 | 958 |
| - jointly-controlled entities | 1,125 | 845 |
| - available-for-sale financial assets | 2,654 | 3,045 |
| Purchase of: | | |
| - property, plant and equipment | (112,674) | (134,192) |
| - intangible assets | (247) | (203) |
| - available-for-sale financial assets | - | (643) |
| - other non-current assets | - | (15) |
| Proceeds from disposal of: | | |
| - property, plant and equipment | 120,644 | 28,482 |
| - available-for-sale financial assets | - | 6,142 |
| - associates | 7,332 | - |
| - jointly-controlled entities | 1,840 | - |
| Acquisition of interest in: | | |
| - subsidiaries, net of cash acquired | (49,205) | (26,124) |
| - associates | (6,559) | - |
| - jointly-controlled entities | - | (392) |
| Acquisition of additional equity interest in an existing subsidiary | - | (2,000) |
| Deposit paid for land leases | - | (16,331) |
| Cash flows used in investing activities | <u>(32,560)</u> | <u>(138,972)</u> |
| Financing activities | | |
| Interest expense paid | (2,915) | (3,037) |
| Dividends paid: | | |
| - shareholders of the Company | (11,486) | (45,492) |
| - minority shareholders of subsidiaries | (422) | (1,487) |
| Repayment of hire purchase and finance lease obligations | (652) | (334) |
| Repayment of loan granted to minority shareholder of a subsidiary | 359 | - |
| Capital contribution from minority shareholders | - | 4,602 |
| Acquisition of additional interest from minority shareholders | (4) | - |
| Proceeds from issuance of new shares | - | 84,258 |
| Proceeds from: | | |
| - short-term borrowings | 39,840 | 102,547 |
| - long-term borrowings | 75,252 | 108,318 |
| Repayments of: | | |
| - short-term borrowings | (30,860) | (99,250) |
| - long-term borrowings | (67,787) | (21,269) |
| Cash flows from financing activities | <u>1,325</u> | <u>128,856</u> |
| Net increase in cash and cash equivalents | 25,693 | 11,181 |
| Cash and cash equivalents at the beginning of the year | 51,775 | 41,809 |
| Effects of exchange rate changes on balances held in foreign currencies | (778) | (1,215) |
| Cash and cash equivalents at end of the year | <u>76,690</u> | <u>51,775</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 year ended 31 December 2008

| Group | Share capital | Fair value reserve | Currency translation reserve | Statutory reserve | Accumulated profits | Total attributable to equity holders of the parent | Minority interests | Total |
|--|---------------|--------------------|------------------------------|-------------------|---------------------|--|--------------------|----------|
| S\$'000 | | | | | | | | |
| At 1 January 2007 | 65,132 | 5,464 | (940) | 252 | 67,656 | 137,564 | 7,838 | 145,402 |
| Translation differences relating to financial statements of foreign entities | - | - | (1,913) | - | - | (1,913) | (208) | (2,121) |
| Transfer to income statement on disposal of available-for-sale financial assets | - | (785) | - | - | - | (785) | - | (785) |
| Change in fair value of available-for-sale financial assets | - | (3,504) | - | - | - | (3,504) | (614) | (4,118) |
| Net loss recognised directly in equity | - | (4,289) | (1,913) | - | - | (6,202) | (822) | (7,024) |
| Profit for the year | - | - | - | - | 34,786 | 34,786 | 2,353 | 37,139 |
| Total recognised income and expense for the year | - | (4,289) | (1,913) | - | 34,786 | 28,584 | 1,531 | 30,115 |
| Issue of shares | 84,258 | - | - | - | - | 84,258 | - | 84,258 |
| Interim dividend paid of 14.02 cents per share less tax at 18% in respect of 2007 | - | - | - | - | (39,814) | (39,814) | - | (39,814) |
| Final dividend paid of 2 cents per share less tax at 18% in respect of 2006 | - | - | - | - | (5,678) | (5,678) | - | (5,678) |
| Transfer to statutory reserve in compliance with foreign entities' statutory requirement | - | - | - | 165 | (165) | - | - | - |
| Acquisition of shares from minority shareholders | - | - | - | - | - | - | (828) | (828) |
| Acquisition of subsidiaries | - | - | - | - | - | - | 26 | 26 |
| Capital contribution by minority shareholders | - | - | - | - | - | - | 4,602 | 4,602 |
| Dividend paid to minority shareholders | - | - | - | - | - | - | (1,487) | (1,487) |
| At 31 December 2007 | 149,390 | 1,175 | (2,853) | 417 | 56,785 | 204,914 | 11,682 | 216,596 |

| Group | | | | | | | | |
|---|----------------------|---------------------------|-------------------------------------|--------------------------|------------------------|---|---------------------------|--------------|
| S\$'000 | Share capital | Fair value reserve | Currency translation reserve | Statutory reserve | Revenue reserve | Total attributable to equity holders of the parent | Minority interests | Total |
| At 1 January 2008 | 149,390 | 1,175 | (2,853) | 417 | 56,785 | 204,914 | 11,682 | 216,596 |
| Translation differences relating to financial statements of foreign entities | - | - | (120) | - | - | (120) | (1,097) | (1,217) |
| Transfer to income statement relating to disposal of an associate | - | 116 | - | - | - | 116 | - | 116 |
| Change in fair value of available-for-sale investments | - | (1,286) | - | - | - | (1,286) | (180) | (1,466) |
| Net gain/(loss) recognised directly in equity | - | (1,170) | (120) | - | - | (1,290) | (1,277) | (2,567) |
| Profit for the year | - | - | - | - | 73,912 | 73,912 | (1,135) | 72,777 |
| Total recognised income and expense for the year | - | (1,170) | (120) | - | 73,912 | 72,622 | (2,412) | 70,210 |
| Final one-tier dividend paid of 2 cents per share in respect of 2007 | - | - | - | - | (11,486) | (11,486) | - | (11,486) |
| Transfer to non-distributable reserve in compliance with foreign entities' statutory requirements | - | - | - | 57 | (57) | - | - | - |
| Acquisition of shares from a minority shareholder | - | - | - | - | - | - | (4) | (4) |
| Acquisition of subsidiaries | - | - | - | - | - | - | 7,616 | 7,616 |
| Dividend paid to minority shareholders | - | - | - | - | - | - | (422) | (422) |
| At 31 December 2008 | 149,390 | 5 | (2,973) | 474 | 119,154 | 266,050 | 16,460 | 282,510 |

| Company | | | | Total attributable to equity holders of the parent | |
|--|----------------------|---------------------------|------------------------|---|--------------|
| S\$'000 | Share capital | Fair value reserve | Revenue reserve | | Total |
| At 1 January 2007 | 65,132 | 3,530 | 44,110 | 112,772 | 112,772 |
| Change in fair value of available-for-sale investments | - | (2,197) | - | (2,197) | (2,197) |
| Fair value gains transferred to income statement on sale of available-for-sale investments | - | (583) | - | (583) | (583) |
| Net gain/(loss) recognised directly in equity | - | (2,780) | - | (2,780) | (2,780) |
| Profit for the year | - | - | 15,355 | 15,355 | 15,355 |
| Total recognised income and expense for the year | - | (2,780) | 15,355 | 12,575 | 12,575 |
| Issue of new shares | 84,258 | - | - | 84,258 | 84,258 |
| Interim dividend paid of 14.02 cents per share less tax at 18% in respect of 2007 | - | - | (39,814) | (39,814) | (39,814) |
| Final dividend paid of 2 cents per share less tax at 18% in respect of 2006 | - | - | (5,678) | (5,678) | (5,678) |
| At 31 December 2007 | 149,390 | 750 | 13,973 | 164,113 | 164,113 |
| At 1 January 2008 | 149,390 | 750 | 13,973 | 164,113 | 164,113 |
| Change in fair value of available-for-sale investments | - | (750) | - | (750) | (750) |
| Net gain/(loss) recognised directly in equity | - | (750) | - | (750) | (750) |
| Profit for the year | - | - | 53,783 | 53,783 | 53,783 |
| Total recognised income and expense for the year | - | (750) | 53,783 | 53,033 | 53,033 |
| Final one-tier dividend paid of 2 cents per share in respect of 2007 | - | - | (11,486) | (11,486) | (11,486) |
| At 31 December 2008 | 149,390 | - | 56,270 | 205,660 | 205,660 |

- 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.**

No changes in the company's share capital.

- 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 significant 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 2007.

- 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 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.**

Earnings per ordinary share

The weighted average number of shares used for the computation of EPS on (a) basic and (b) fully diluted basis is 574,304,650 (31 December 2007: 522,891,628).

| EPS (cents) | Year ended 31 December | |
|---|------------------------|-------|
| | 2008 | 2007 |
| (a) Basic | 12.87 | 6.65 |
| (b) Diluted | 12.87 | 6.65 |
| Based on weighted average number of ordinary shares in issue (in million) | 574.3 | 522.9 |

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 31 December 2008 and 31 December 2007 was computed based on the share base of 574,304,650 shares.

| | 31 December 2008 | 31 December 2007 |
|---------------------------------------|-----------------------------|-----------------------------|
| NAV per ordinary share (cents) | | |
| - Group | 46.3 | 35.68 |
| - Company | 35.8 | 28.58 |

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 Performance for FY2008

Group Revenue grew by 13% to S\$603m whilst Profit After Tax ("PAT") surged by 112% to S\$72.8m, compared to FY07. The PAT is arrived after recognising for impairment allowances totalling S\$24.8m in FY08 (largely in Q408) for available-for-sale financial assets and land use rights. PAT from operating businesses was S\$26.8m, 37% higher than FY07's S\$19.6m contributed largely by NVOCC and logistics businesses.

The Group's PAT for FY2008 of S\$72.8m is analysed as follows –

| | FY2008 S\$ million |
|---|------------------------------|
| 1) PAT from operating businesses | 26.8 |
| 2) Profit from sale & leaseback of properties | 69.9 |
| 3) Gain from divestment of shares in Cambridge Industrial Trust Management ("CITM") and Cambridge Industrial Property Management ("CIPM") | 6.7 |
| 4) Impairment allowance (mark to market adjustment) for Cambridge Industrial Trust ("CIT") units held | (18.2) |
| 5) Impairment allowance on properties | (3.0) |
| 6) Impairment allowance on land use rights | (3.6) |
| 7) Exchange losses & expenses arising from cancellation of a land acquisition | (1.6) |
| 8) Property tax relating to prior period & other non-recurring expenses | (3.3) |
| 9) Other non-recurring items | (0.9) |
| | <u>72.8</u> |

During the year, the Group completed the following significant events/transactions:-

- a) Commissioning of phase I of the Commodity Hub in June 2008, which added 1.07m sq ft of warehouse space. The hub has been fully occupied from October 2008.
- b) On 12 September 2008, the Company completed a sale and leaseback of CWT Logistics Hub 2 for a cash consideration of S\$115.2m. A total gain of S\$85.9m has been achieved, of which S\$69.2m is recorded in FY08 and S\$16.7m has been deferred to the leaseback period.
- c) On 7 August 2008, the Group completed the sale of equity investment in Cambridge Industrial Trust Management and Cambridge Industrial Property Management for a cash consideration of S\$9.2m. A gain of S\$6.7m has been recorded in FY08.
- d) In October 2008, CWT Commodities Pte Ltd, a wholly-owned subsidiary of CWT acquired a 100% stake in HNN Logistics N.V. The acquisition is part of the Group's strategic plan to further enhance and broaden its scope of commodity logistics services.
- e) In October 2008, CWT Commodities acquired a 60% and 30% stake in Sitos Group B.V. and LML Properties B.V. respectively, to further expand its commodity logistics business in terms of breadth and depth.
- f) Termination of the option to purchase land in Russia. Deposit placed for the land was refunded in December 2008 for which the Group incurred exchange losses and expenses; totalling S\$1.6m.

Other income ("OI") for FY08 includes gains from sale and leaseback of property and sale of investments as mentioned in (b) & (c) above, whilst OI for FY07 comprised a S\$6.7m of negative goodwill and a gain of S\$1.8m from sale of financial assets and an engineer's workshop.

Since 2nd half of 2007, the Group expanded its senior management team to pursue business development and manage business expansion. This together with administrative cost of acquired businesses, other staff cost increases and business development expenses led to 29% increase in Administrative Expenses from S\$37.5m in FY07 to S\$48.0m in FY08.

Other operating expenses comprise impairment allowance on properties and land use rights. Finance costs include mark to market adjustment for CIT units of S\$18.2m, exchange losses and intense expense.

The quarterly comparison of operating profit after tax & PAT of the Group: -

| | Q408 | Q308 | Q208 | Q108 |
|-----------------------------|-------|------|------|------|
| Recurring profit after tax | 7.9 | 7.1 | 7.5 | 4.3 |
| Non-recurring profit/(loss) | (1.8) | 47.1 | - | 0.7 |
| Total PAT | 6.1 | 54.2 | 7.5 | 5.0 |

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.

1) Update on Projects and Logistics Facilities Development

- a) Commodity Hub phase 1 of 1.07m sq ft has been fully occupied since October 2008. Phase II development will deliver another 1.2m sq ft by 4th quarter 2009. 1st part of the phase II development (about 0.5m sq ft) will be completed by April 2009. Construction progressed well and we expect a timely completion.
- b) In light of the current challenging economic climate, management had decided to temporary defer/scale down development projects.

2) Logistics Contract

The Group secured a 10-year logistics contract for the setting up and management of a Southeast Asia logistics hub in Singapore for a world major chemical player from the Middle East. The contract involving provision of a whole spectrum of regional distribution logistics and packaging services will commence in 2nd quarter 2010. For this contract, recruitment of an extra 80 to 100 personnel is expected by 1st quarter 2010.

3) Others

- a) The Group presently holds 45 million Cambridge Industrial Trust Units. The value of the Units was marked down to the bid price of S\$0.27 per Unit as of end of FY08.
- b) In view of the economic downturn, the Group is taking concerted measures to manage costs. This includes a general head count freeze, cutting redundant resources, preventing wastages, optimizing available resources, tightening outsourcing and procurement and minimizing replacement capital expenditure etc.
- c) The Group does not have any financial instruments or options that are not accounted for in the financial statements.

11 Dividend

(a) Current Financial Period Reported On

The Directors proposed a final one-tier cash dividend of 2 cents per share (or a total net dividend of \$11,486,093) ("Proposed Final Dividend") for the year ended 31 December 2008, payable to all existing ordinary shareholders. The Proposed Final Dividend will be subject to shareholders' approval in the forthcoming Annual General Meeting of the Company.

(b) Dividend declared for the corresponding period of the immediately preceding financial year

A final one-tier cash dividend of 2 cents per share or actual net dividend of S\$11,486,093 was paid for the financial year ended 31 December 2007.

(c) Date payable

Final dividend shall be payable on 15 May 2009 subject to shareholders' approval at the forthcoming Annual General Meeting on 23 April 2009.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 5 May 2009 for the preparation of the proposed final dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 3 Church Street #08-01 Samsung Hub, Singapore 049483, up to 5.00 p.m. on 4 May 2009 will be registered to determine shareholders' entitlements to the said final dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 4 May 2009 will be entitled to the proposed final dividend.

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

No interim dividend has been declared or recommended in the current reporting period.

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 services | | Engineering services | | Other services | | Total | |
|--|--------------------|-----------------|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2008 S\$'000 | 2007 S\$'000 | 2008 S\$'000 | 2007 S\$'000 | 2008 S\$'000 | 2007 S\$'000 | 2008 S\$'000 | 2007 S\$'000 |
| Revenue and expenses | | | | | | | | |
| Revenue | 518,659 | 450,937 | 84,049 | 83,970 | - | - | 602,708 | 534,907 |
| Segment results | 63,425 | 53,741 | 3,512 | 3,917 | - | - | 66,937 | 57,658 |
| Gain/(loss) on disposal of property, plant and equipment | 69,965 | 9,223 | - | 700 | - | - | 69,965 | 9,923 |
| Gain/(loss) on disposal of jointly-controlled entity | - | (85) | 1,299 | - | - | - | 1,299 | (85) |
| Gain/(loss) on disposal of associates entity | 5,421 | - | - | - | - | - | 5,421 | - |
| Impairment loss of: | | | | | | | | |
| - Available-for-sale financial assets | (18,225) | - | - | - | - | - | (18,225) | - |
| - Property, plant and equipments | (3,014) | - | - | - | - | - | (3,014) | - |
| - Deposits paid for land use rights | (3,630) | - | - | - | - | - | (3,630) | - |
| Unallocated corporate expenses | | | | | | | (48,937) | (32,321) |
| Profit from operations before finance income | | | | | | | 69,816 | 35,175 |
| Finance income | | | | | | | 3,852 | 5,634 |
| Interest expense | | | | | | | (2,915) | (3,526) |
| Exchange loss (net) | | | | | | | (2,052) | (1,142) |
| Share of profit/(loss) of associates | 6,064 | 3,237 | - | - | 997 | (201) | 7,061 | 3,036 |
| Share of profit of jointly-controlled entities | 1,140 | 1,056 | 747 | 756 | - | - | 1,887 | 1,812 |
| Income tax expense | | | | | | | (4,872) | (3,850) |
| Profit after income tax | | | | | | | 72,777 | 37,139 |
| Minority interests | | | | | | | 1,135 | (2,353) |
| Profit attributable to equity holders of the parent | | | | | | | 73,912 | 34,786 |

| Logistics services | | Engineering services | | Other services | | Total | |
|--------------------|---------|----------------------|---------|----------------|---------|---------|---------|
| 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |

Assets and Liabilities

| | | | | | | | | |
|--|----------------|----------------|---------------|---------------|----------|------------|----------------|----------------|
| Segment assets | 446,888 | 341,449 | 24,909 | 28,655 | - | - | 471,797 | 370,104 |
| Interests in associates | 23,940 | 13,038 | - | - | - | 852 | 23,940 | 13,890 |
| Interests in jointly-controlled entities | 9,552 | 8,455 | 1,093 | 1,761 | - | - | 10,645 | 10,216 |
| Unallocated assets | - | - | - | - | - | - | 122,514 | 100,652 |
| Total assets | 480,380 | 362,942 | 26,002 | 30,416 | - | 852 | 628,896 | 494,862 |
| Segment liabilities | 173,568 | 127,113 | 22,136 | 21,852 | - | - | 195,704 | 148,965 |
| Unallocated liabilities | - | - | - | - | - | - | 150,682 | 129,301 |
| Total liabilities | 173,568 | 127,113 | 22,136 | 21,852 | - | - | 346,386 | 278,266 |

Other Segmental information

| | | | | | | | | |
|--|----------|---------|---------|---------|---|---|----------|---------|
| Provisions | (124) | 310 | 515 | 60 | - | - | 391 | 370 |
| Capital expenditure | 113,043 | 134,736 | 253 | 220 | - | - | 113,296 | 134,956 |
| Depreciation of property, plant and equipment | (15,635) | (9,438) | (292) | (352) | - | - | (15,927) | (9,790) |
| Amortisation of: | | | | | | | | |
| - Intangible assets | (600) | (590) | (1,990) | (1,997) | - | - | (2,590) | (2,587) |
| - Deferred gain | 7,824 | 6,085 | - | - | - | - | 7,824 | 6,085 |
| Gain/(loss) on disposal of: | | | | | | | | |
| - Property, plant and equipment | 69,965 | 9,223 | - | 700 | - | - | 69,965 | 9,923 |
| - Available-for-sale financial assets | - | 1,133 | - | - | - | - | - | 1,133 |
| Amount written-off for: | | | | | | | | |
| - Property, plant and equipment | (11) | (16) | - | - | - | - | (11) | (16) |
| - Available-for-sale financial assets | - | (23) | - | - | - | - | - | (23) |
| Negative goodwill on acquisition of subsidiaries | - | 6,734 | - | - | - | - | - | 6,734 |
| Gain/(loss) on disposal of: | | | | | | | | |
| - Subsidiaries | 50 | - | - | - | - | - | 50 | - |
| - Jointly-controlled entities | - | (85) | 1,299 | - | - | - | 1,299 | (85) |
| - Associates | 5,421 | - | - | - | - | - | 5,421 | - |
| Impairment loss of: | | | | | | | | |
| - Available-for-sale financial assets | (18,225) | - | - | - | - | - | (18,225) | - |
| - Property, plant and equipment | (3,014) | - | - | - | - | - | (3,014) | - |
| - Deposit paid for land use rights | (3,630) | - | - | - | - | - | (3,630) | - |

| | 2008 | 2007 |
|---|----------------|----------------|
| | S\$'000 | S\$'000 |
| Revenue | | |
| Singapore | 321,369 | 290,614 |
| China | 113,378 | 101,744 |
| Asia/ Australia (excluding Singapore and China) | 103,013 | 102,203 |
| Europe | 54,217 | 32,065 |
| Others | 10,731 | 8,281 |
| Total | 602,708 | 534,907 |
| Capital expenditure | | |
| Singapore | 93,015 | 116,551 |
| China | 14,947 | 5,439 |
| Asia/ Australia (excluding Singapore and China) | 2,425 | 2,089 |
| Europe | 1,275 | - |
| Others | 1,635 | 10,877 |
| Total | 113,297 | 134,956 |
| Total assets | | |
| Singapore | 439,867 | 385,055 |
| China | 61,903 | 45,650 |
| Asia/ Australia (excluding Singapore and China) | 30,938 | 32,973 |
| Europe | 72,703 | 21,192 |
| Others | 23,485 | 9,992 |
| Total | 628,896 | 494,862 |

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 | 2008 S\$'000 | 2007 S\$'000 |
|--|-------------------------|-------------------------|
| Revenue reported for the first quarter | 142,348 | 116,721 |
| Profit after tax before deducting MI reported for the first quarter | 5,042 | 8,100 |
| Revenue reported for the second quarter | 142,741 | 121,582 |
| Profit after tax before deducting MI reported for the second quarter | 7,508 | 8,672 |
| Revenue reported for the third quarter | 154,004 | 127,954 |
| Profit after tax before deducting MI reported for the third quarter | 54,195 | 7,303 |
| Revenue reported for the fourth quarter | 163,615 | 168,650 |
| Profit after tax before deducting MI reported for the fourth quarter | 6,032 | 13,064 |

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

| | Aggregate Value S\$'000 |
|--|------------------------------------|
| Purchases | |
| - C&P Holdings Pte Ltd (Transfer of assets announced on 31 Mar 2008) | 5,050 |
| - C&P Capital Pte Ltd | 1,321 |
| - C&P Transport Pte Ltd | 870 |

18. Negative Assurance on Interim Financial Statement

The board of Directors hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the FY2008 financial results to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

**LYE SIEW HONG
COMPANY SECRETARY
25 February 2009**