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PRESS RELEASE

Logistics specialist CWT doubles 1QFY2009 earnings to S\$9.2 million

- Much improved performance mainly contributed by the warehousing business in Singapore and good contribution from the soft commodity logistics business in Europe
- Cash and cash equivalents remained healthy at S\$75.3 million
- Remains cautiously optimistic with prudent cost management approach

Singapore, 7 May 2009 – CWT Limited (“CWT” or the “Group”), one of the leading logistics players in Asia is pleased to announce a 105% jump in net profit to S\$9.2 million for the three months ended 31 March 2009 (“1QFY2009”).

Financial Highlights

S\$'000	3 months ended 31 March 2009	3 months ended 31 March 2008	% Change +/(–)
Revenue	153,075	142,348	8
Gross Profit	21,749	13,191	65
Other Operating Income	1,116	960	16
Profit After Tax	10,261	5,042	104
Profit After Tax and Minority Interest (PATMI)	9,230	4,494	105
EPS (cents)	1.61	0.78	106

For the period under review, revenue grew steadily by 8% to S\$153.1 million, while the Group continues to see encouraging results in the bottom line performance. Gross profit improved by 65% from S\$13.2 million in 1QFY2008 to S\$21.7 million in 1QFY2009, indicating a healthy gross margin of 14.2% (1QFY2008: 9.3%).

This is mainly attributable to the sterling performance of the warehousing business in Singapore, following the commissioning of Phase I of the Commodity Hub in FY2008, which added 1.07 million square feet (sq ft) to CWT's existing warehousing capacity. In addition, the newly acquired soft

commodity logistics business in Europe contributed positively to the quarterly results of the Group. With higher contribution from the warehousing and logistics businesses, the Group enjoyed better profitability as the segment typically yields better margins than other business segments, namely the international freight forwarding and engineering divisions.

In terms of cost management, the Group continues to adopt a prudent approach to streamline the operations and improve cost efficiency on both operational and administrative fronts. Coupled with the economic stimulus package and Jobs Credit scheme recently initiated by Singapore government, the approach proved to be effective and timely. As a result, net profit attributable to shareholders more than doubled to S\$9.2 million. This figure is more than one third of FY2008 full year net profit (excluding one-off gains).

Balance sheet remains healthy with cash and cash equivalents of S\$75.3 million, while net asset value per ordinary share improved from 46.4 cents as at 31 December 2008 to 48.9 cents as at 31 March 2009.

Going forward

As part of CWT's expansion of logistics capabilities, CWT is pleased to note that the developments progressed well as planned. The Group obtained the temporary occupation permit ("TOP") for Phase 2A of the Commodity Hub (comprising 0.5 million square feet) in April this year, and another Phase 2B of the warehouse with 0.7 million square feet targeted to complete by 4th quarter of 2009. At the moment, CWT has confirmed bookings for 60% of the Phase 2 warehouse space in the Commodity Hub while the remaining space is currently in the final stage of negotiation.

“As the Chinese saying goes: ‘In times of crisis, we see opportunities’. We still see strong demand in our warehousing storage, which is seeing close to full utilization at this moment. During these extraordinary times, we are fairly encouraged by our decent performance so far, and will continue to work harder to grow our businesses steadily to prepare ourselves for the future market recovery.”

**Mr Loi Pok Yen,
Group CEO of CWT**

In the pipeline, CWT recently secured a 10-year contract with Borouge, a leading chemical player from the Middle East for the setting up and management of a Southeast Asia logistics hub in Singapore. Upon completion, it is expected to be one of the largest hubs in the region. Commencing operations in the 2nd quarter of 2010, this will be the first time the Group is involved in such a wide spectrum of logistics services, ranging from warehousing, packaging, transportation and regional distribution. This has set the stage for the Group to progress onto the next level as a fully integrated logistics player in the region. For this project, the Group has planned for the recruitment of an extra 80 to 100 personnel, ranging from blue-collar workers to managerial positions.

Internally, the Group continues to be prudent in its cost management initiatives through various means of cutting down redundant resources, preventing wastages, optimizing available resources, tightening of outsourcing and procurement functions and minimizing replacement capital expenditure. CWT believes that these measures would be paramount to weather through the economic slowdown at present.

The Group remains cautiously optimistic of its business outlook for the next 12 months.

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About CWT (www.cwtlimited.com)

CWT Limited was set up in 1970 and listed on the Singapore Exchange in 1993. Being one of the largest listed logistics company in Southeast Asia, CWT offers integrated logistics solutions to some of the world's leading brands in the chemical, commodities, automotive, marine, oil & gas and industrial sectors.

Through the Group's global network, we are able to connect customers to 120 ports and 1,200 destinations seamlessly around the world.

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