



CWT LIMITED

(Company Registration No.: 197000498M)

Unaudited Financial Statement for the Period Ended 30/09/2010

1(a)(i) CONSOLIDATED INCOME STATEMENT For the three months ended 30 September 2010

	Three months ended 30 September			Nine months ended 30 September		
	2010	2009	%	2010	2009	%
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Revenue	192,717	156,919	23	542,507	456,948	19
Cost of sales	(167,233)	(137,257)	22	(468,310)	(393,021)	19
Gross profit	25,484	19,662	30	74,197	63,927	16
Other Income	103	1,243	(92)	149,664	3,905	3,733
Administrative expenses	(16,900)	(13,278)	27	(45,550)	(38,955)	17
Other operating expenses	(464)	793	(159)	(1,522)	161	(1,045)
Profit from operations	8,223	8,420	(2)	176,789	29,038	509
Finance Income	890	741	20	3,948	2,375	66
Finance Costs	(2,145)	(1,021)	110	(4,180)	(2,215)	89
Net finance (expenses)/income	(1,255)	(280)	348	(232)	160	245
Share of profit of jointly-controlled entities, net of tax	487	241	102	1,046	1,066	(2)
Share of profit of associates, net of tax	735	617	19	2,488	2,756	(10)
Profit before income tax	8,190	8,998	(9)	180,091	33,020	445
Income tax expense	(1,909)	(2,127)	(10)	(5,969)	(6,139)	(3)
Profit after taxation	6,281	6,871	(9)	174,122	26,881	548
Attributable to:						
Owners of the Company	5,485	6,041	(9)	171,557	23,981	615
Non-controlling interest	796	830	(4)	2,565	2,900	(12)
Net profit attributable to shareholders	6,281	6,871	(9)	174,122	26,881	548

Note:

N.M : Not meaningful

1(a)(ii) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the three months ended 30 September 2010

	GROUP		
	3Q2010	3Q2009	+ / (-)
	S\$'000	S\$'000	%
Net profit for the quarter	6,281	6,871	(9)
Other comprehensive income			
Exchange differences arising from translation of foreign operations	(4,997)	(2,681)	86
Fair value changes on available-for-sale financial assets	1,123	3,645	(69)
Fair value changes on cash flow hedges	(49)	-	N.M.
Share of other comprehensive income of associates and jointly-controlled entities	1,781	492	262
Other comprehensive (loss)/income, net of tax	(2,142)	1,456	(247)
Total comprehensive income	4,139	8,327	(50)
Total comprehensive income attributable to:			
Shareholders of the Company	3,203	8,089	(60)
Non-controlling interest	936	238	294
	4,139	8,327	(50)
	Company		
	3Q2010	3Q2009	+ / (-)
	S\$'000	S\$'000	%
Net profit for the quarter	49,957	1,840	N.M.
Other comprehensive income			
Fair value changes on available-for-sale financial assets	1,113	5,145	(78)
Other comprehensive loss, net of tax	1,113	5,145	
Total comprehensive income attributable to shareholders of the company	51,070	6,985	631

Note:
N.M : Not meaningful

1(a)(iii) Notes to Income Statement

a) Additional disclosures

	Three months ended 30 September			Nine months ended 30 September		
	2010 S\$'000	2009 S\$'000	% Change	2010 S\$'000	2009 S\$'000	% Change
Profit / (Loss) on disposal of property, plant and equipment	8	(6)	233	38	23	65
Profit on disposal of non-current assets held for sales	-	-	N.M.	147,581	-	N.M.
Amortisation of deferred gain	8,139	2,549	219	18,827	7,647	146
Impairment loss of available-for-sale financial assets	-	-	N.M.	-	(2)	(100)
Gain on disposal of a available-for-sales financial assets	-	-	N.M.	439	-	N.M.
Gain on disposal of an associate	-	-	N.M.	511	-	N.M.
Gain on disposal of a subsidiary	-	128	(100)	-	128	(100)
(Allowance) / Write back of allowance made for doubtful debts	(215)	93	(331)	(557)	193	(389)
Bad debts (written off) / written back	-	(85)	(100)	4	(114)	(104)
Reversal of impairment loss on land deposits	-	889	(100)	-	1,561	(100)
Depreciation and amortisation	(4,493)	(5,962)	(25)	(14,127)	(17,691)	(20)
Net foreign exchange loss	(1,699)	(106)	N.M.	(2,147)	(47)	N.M.
Property, plant and equipment written back / (written off)	7	(9)	(178)	(129)	(9)	N.M.
Loss on fair value adjustment of a derivative instrument	-	(28)	(100)	-	(28)	(100)

- b) Other Income for the nine months ended 30 Sep 10 included the gain of \$147.6m from the sale and leaseback of the CWT Commodity Hub and CWT Cold Hub.
- c) The increase in administrative expenses was due mainly to start up cost incurred for the expanded operations in Europe and business development expenses .
- d) The increase in finance costs was due mainly to foreign exchange losses arising from the depreciation of the USD and Euro against the SGD.

Notes:

N.M.: Not meaningful

1(b) STATEMENT OF FINANCIAL POSITION
As at 30 September 2010

	<u>Group</u>		<u>Company</u>	
	30 Sep 2010 S\$'000	31 Dec 2009 S\$'000	30 Sep 2010 S\$'000	31 Dec 2009 S\$'000
Non-current assets				
Property, plant and equipment	193,328	183,544	44,038	45,008
Intangible assets	51,405	45,940	241	226
Subsidiaries	-	-	181,685	174,935
Associates	24,851	21,059	200	200
Jointly-controlled entities	11,701	11,247	5,375	5,060
Financial assets	91,852	17,494	91,807	17,449
Non-current receivables	5,226	1,296	-	-
Deferred tax assets	1,537	1,221	-	-
Other non-current assets	93	93	3	3
	379,993	281,894	323,349	242,881
Current assets				
Inventories	3,106	1,532	454	585
Trade and other receivables	156,691	136,070	58,458	154,406
Cash and cash equivalents	204,721	90,456	137,969	4,968
Tax recoverable	378	353	86	86
	364,896	228,411	196,967	160,045
Non-current assets held for sale	-	165,442	-	30,340
Total assets	744,889	675,747	520,316	433,266
Equity attributable to equity holders of the parent				
Share capital	161,965	149,390	161,965	149,390
Reserves	264,008	142,563	126,083	61,535
	425,973	291,953	288,048	210,925
Non-controlling interest	18,724	17,551	-	-
Total equity	444,697	309,504	288,048	210,925
Non-Current Liabilities				
Financial liabilities	8,877	13,792	5,602	11,151
Deferred tax liabilities	9,126	9,850	301	302
Deferred gain	118,720	34,535	110,281	24,144
	136,723	58,177	116,184	35,597
Current liabilities				
Trade and other payables	127,890	126,031	96,555	35,737
Financial liabilities	7,718	164,975	1,888	143,009
Current tax payable	7,315	5,026	904	-
Deferred gain	18,994	10,194	16,392	7,592
Provisions	1,552	1,840	345	406
	163,469	308,066	116,084	186,744
Total liabilities	300,192	366,243	232,268	222,341
Total equity and liabilities	744,889	675,747	520,316	433,266

Notes to Financial Position

- The increase in **Property, plant and equipment** was due mainly to capitalisation of work-in-progress relating to the construction of CWT Hub 3 and building improvement for the warehouse at Liverpool, UK.
- The increase in investment in **Subsidiaries** at the Company level relates to the acquisition of a subsidiary in Defense Logistics in Jan 2010.
- **Financial assets** comprised quoted investment in REIT units.
- **Non-current assets held for sale** comprised mainly CWT Commodity Hub and CWT Cold Hub which sale was completed in 2Q2010.
- The increase in **Deferred gain** was due to recognition of the deferred gains arising from the sale and leaseback of the CWT Commodity Hub and the CWT Cold Hub under Financial Reporting Standard 17 - "Leases". The deferred gains are credited to the profit and loss account over the leaseback period.
- The decrease in **Financial liabilities** relates to repayment of bank loans. Loans totalling \$144m were repaid in 2Q2010.
- The increase in **Trade and other receivables** was due mainly to an overall increase in revenue for the Group compared with 2009, increase in billings from completion of projects in 3Q10 and increase in non-trade receivables.

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

Amount repayable in one year or less, or on demand

As at 30/09/2010		As at 31/12/2009	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
7,465	253	25,191	139,784

Amount repayable after one year

As at 30/09/2010		As at 31/12/2009	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
8,877	-	13,792	-

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS
For the three months ended 30 September 2010

	Three months ended 30 September	
	2010 S\$'000	2009 S\$'000
Cash flows from operating activities		
Profit before taxation	8,190	8,998
Adjustments for:		
Interest expense	446	918
Interest income	(314)	(70)
Depreciation of property, plant and equipment	4,092	5,571
Dividend income from available-for-sale financial assets	(576)	(673)
(Gain)/loss on disposal of:		
- property, plant and equipment	(8)	6
- subsidiary	-	(128)
Share of profit of:		
- associates	(735)	(618)
- jointly-controlled entities	(487)	(241)
Amortisation of:		
- intangible assets	401	391
- deferred gain	(8,139)	(2,549)
Loss on fair value adjustment of a derivative instrument	-	28
Impairment losses on land deposits	-	(889)
Amount (written back)/written-off of property, plant and equipment	(7)	9
Operating profit before working capital changes	2,863	10,753
Change in working capital:-		
Inventories	(268)	(83)
Trade and other receivables	* (11,351)	(37,893)
Trade and other payables	2,369	11,474
Provisions	(54)	(42)
Cash used in operations	(6,441)	(15,791)
Income taxes paid	(1,848)	(1,863)
Net cash used in operating activities	(8,289)	(17,654)

Note:

* The net cash outflow of S\$11.4m arising from the net increase in Trade and Other Receivables was due mainly to:

- increase in billings from completion of projects in 3Q10;
- increase in billings from increase in sales volume and new accounts; and
- increase in non-trade recoverable.

The net increase in Trade and Other Receivables was also consistent with the 23% increase in revenue for 3Q10 compared with 3Q09.

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS
For the three months ended 30 September 2010

	Three months ended 30 September	
	2010	2009
	S\$'000	S\$'000
Cash flows from investing activities		
Interest received	314	32
Acquisition of interest in:		
- a subsidiary, net of cash acquired	(994)	-
- an associates	-	(2)
Capital project development and purchase of property, plant and equipment	-	(9,090)
Purchase of:		
- property, plant and equipment	(10,236)	-
- intangible assets	(308)	(73)
Inflow proceeds from disposal of:		
- property, plant and equipment	73	52
- a subsidiary, net of cash disposal off	-	621
Dividends received from:		
- associates	-	208
- jointly-controlled entities	165	307
- available-for-sale financial assets	576	673
Refunds of land deposits	-	889
Net cash used in investing activities	<u>(10,410)</u>	<u>(6,383)</u>
Cash flows from financing activities		
Interest expense paid	(446)	(918)
Dividends paid to shareholders	(35,418)	-
Dividends paid to minority shareholders of subsidiaries	(225)	(429)
Capital contribution from minority shareholders of subsidiaries	-	69
Repayment of hire purchase and finance lease obligations	(75)	(262)
Repayment of loan granted to minority shareholders of a subsidiary	-	507
Repayment of short-term borrowings	(12)	(5,478)
Repayment of long-term borrowings	(820)	(6,784)
Proceeds from short-term borrowings	(16)	45,274
Proceeds from long-term borrowings	1,091	-
Net cash (used in) / from financing activities	<u>(35,921)</u>	<u>31,979</u>
Net (decrease)/increase in cash and cash equivalents	(54,620)	7,942
Cash and cash equivalents at 1 July	255,506	68,331
Effects of exchange rate changes on balances held in foreign currencies	(513)	(735)
Cash and cash equivalents at 30 Sep	<u>200,373</u>	<u>75,538</u>

1(d)(i) **Statement of Changes in Equity**
For the three months ended 30 September 2010

Group								
S\$'000	Share capital	Fair value reserve	Currency translation reserve	Statutory reserve	Revenue reserve	Total attributable to equity holders of the parent	Non-controlling interest	Total
At 1 July 2009	149,390	2,930	(2,210)	499	125,582	276,191	17,851	294,042
Profit for the period	-	-	-	-	6,041	6,041	830	6,871
Other comprehensive income								
Exchange differences arising from translation of foreign operations	-	-	(2,539)	-	-	(2,539)	(142)	(2,681)
Fair value changes on available-for-sale financial assets	-	4,095	-	-	-	4,095	(450)	3,645
Share of other comprehensive loss of associates and jointly-controlled entities	-	-	492	-	-	492	-	492
Total other comprehensive income	-	4,095	(2,047)	-	-	2,048	(592)	1,456
Total comprehensive income for the period	-	4,095	(2,047)	-	6,041	8,089	238	8,327
Distributions to owner								
Dividend paid to equity holders	-	-	-	-	-	-	(429)	(429)
Changes in ownership interest in subsidiaries that do not result in loss of control								
Capital contribution by minority shareholders	-	-	-	-	-	-	69	69
Total transaction with owners	-	-	-	-	-	-	69	69
At 30 September 2009	149,390	7,025	(4,257)	499	131,623	284,280	17,729	302,009

1(d)(i) **Statement of Changes in Equity**
For the three months ended 30 September 2010

Group	Share capital	Fair value reserve	Currency translation reserve	Hedging reserve	Statutory reserve	Revenue reserve	Total attributable to equity holders of the parent	Non-controlling interest	Total
S\$'000									
At 1 July 2010	161,965	14,354	(13,946)	(718)	537	295,996	458,188	17,618	475,806
Profit for the period	-	-	-	-	-	5,485	5,485	796	6,281
Other comprehensive income									
Exchange differences arising from translation of foreign operations	-	-	(5,127)	-	-	-	(5,127)	130	(4,997)
Exchange differences realised to profit or loss on disposal of a subsidiary	-	-	-	-	-	-	-	-	-
Fair value changes on available-for-sale financial assets	-	1,113	-	-	-	-	1,113	10	1,123
Effective portion of changes in fair value of cash flow hedges	-	-	-	(49)	-	-	(49)	-	(49)
Share of other comprehensive loss of associates and jointly-controlled entities	-	-	1,781	-	-	-	1,781	-	1,781
Total other comprehensive income	-	1,113	(3,346)	(49)	-	-	(2,282)	140	(2,142)
Total comprehensive income for the period	-	1,113	(3,346)	(49)	-	5,485	3,203	936	4,139
Distributions to owner									
Dividend paid to equity holders	-	-	-	-	-	(35,418)	(35,418)	-	(35,418)
Dividend paid to minority shareholders	-	-	-	-	-	-	-	(225)	(225)
Total transaction with owners	-	-	-	-	-	(35,418)	(35,418)	(225)	(35,643)
Disposal of a subsidiary	-	-	-	-	-	-	-	395	395
At 30 September 2010	161,965	15,467	(17,292)	(767)	537	266,063	425,973	18,724	444,697

**1(d)(i) Statement of Changes in Equity
For the three months ended 30 September 2010**

Company					
S\$'000	Share capital	Fair value reserve	Revenue reserve	Total attributable to equity holders of the parent	Total
At 1 July 2009	149,390	1,875	49,526	200,791	200,791
Profit for the period	-	-	1,840	1,840	1,840
Other comprehensive income					
Fair value changes on available-for-sale financial assets	-	5,145	-	5,145	5,145
Total other comprehensive income	-	5,145	-	5,145	5,145
Total comprehensive income for the period	-	5,145	1,840	6,985	6,985
At 30 September 2009	149,390	7,020	51,366	207,776	207,776
At 1 July 2010	161,965	14,341	96,090	272,396	272,396
Profit for the period	-	-	49,957	49,957	49,957
Other comprehensive income					
Fair value changes on available-for-sale financial assets	-	1,113	-	1,113	1,113
Total other comprehensive income	-	1,113	-	1,113	1,113
Total comprehensive income for the period	-	1,113	49,957	51,070	51,070
Distributions to owner					
Dividend paid to equity holders	-	-	(35,418)	(35,418)	(35,418)
At 30 September 2010	161,965	15,454	110,629	288,048	288,048

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.

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 preparation of the financial statements for the current financial period compared with the audited financial statements as at 31 December 2009 except for the adoption of the FRS and INT FRS that are mandatory for financial years beginning on or after 1 January 2010.

The adoption of these FRS and INT FRS has no significant impact to the Group's financial statement except for FRS 103 and FRS 27 as described below:

FRS 103 (revised 2009) and FRS 27 (amended) will become effective for the Group's financial statements for the year ending 31 December 2010. FRS 103 (revised 2009) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. The amendments will mainly impact the accounting for transaction costs, step acquisitions, goodwill and non-controlling interests (NCI) (previously minority interests). The revised FRS 103 will be applied prospectively and therefore there will be no impact on prior periods in the Group's financial statements for the year ending 31 December 2010.

The amended FRS 27 requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The amendments will be applied prospectively to transactions with NCI and therefore there will be no impact on prior periods in the Group's financial statements for the year ending 31 December 2010.

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.

In computing the EPS (a) below, the weighted average number of ordinary shares in issue is 588,253,368 (30 Sep 2009: 574,304,650) during the financial period under review.

The weighted average number of shares used for the computation for the EPS on basic (a) and fully diluted basis (b) is 588,253,368 (30 Sep 2009: 574,304,650).

EPS (cents)	Three months ended 30 September	
	2010	2009
(a) Basic	0.93	1.05
(b) Diluted	0.93	1.05
Based on weighted average number of ordinary shares in issue (in million)	588.3	574.3

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 2010 was computed based on the share base of 588,253,368 (31 December 2009: 574,304,650).

	30 September 2010	31 December 2009
NAV per ordinary share (cents)		
- Group	75.6	53.9
- Company	48.9	36.7

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

3rd Quarter 2010 ("3Q2010")

Revenue and Gross Profit increased by 23% and 30% respectively. The increase was driven mainly by higher business volumes for Freight Logistics, including contribution from new offices setup in Slovenia and Portugal, and Contract Logistics arising in part from the start of new customer accounts.

Despite the increase in Revenue and Gross Profit, PAT was 9% lower than 3Q2009 due mainly to the following key factors.

- a) The increase in Revenue from rising freight rates since the second half of 2009 was negated by the impact of increasing freight costs;
- b) The 2009 government resilience budget scheme was gradually phased out in 1H2010;
- c) Start up costs incurred for new undertakings, including operations in Europe and new major customer accounts; and
- d) Steel logistics business was adversely affected by the plunge in demand from the Marine industry.

YTD Sep 2010 vs YTD Sep 2009

The Group registered a record profit after tax ("PAT") of S\$174m for YTD Sep 2010, which is more than 6 times the PAT for the same period in 2009. The surge in PAT was derived from the gain of \$147.6m from the sale and leaseback of the CWT Commodity Hub and CWT Cold Hub completed on 12 April 2010.

Excluding this one-off gain, PAT for YTD Sep 2010 decreased by S\$0.3m whilst Revenue and Gross Profit increased by 19% and 16% respectively. The decrease in PAT despite an increase in Revenue and Gross Profit was due to the factors mentioned above.

Taxation

In respect of the gain recognized on the sale and leaseback of the CWT Commodity Hub and the CWT Cold Hub, the Group continues to view them as capital investment assets the disposal of which were on capital account and, accordingly, the gain (including the deferred gain) should be regarded as capital gain not subject to income tax.

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 expectations.

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 General

The Group's freight logistics arm, CWT Globelink has recently set up offices in Hong Kong, Indonesia, Portugal, Slovenia & Croatia and extended direct service coverage to Ukraine, Ghana and Nigeria. This is part of our ongoing geographical expansion to cover more trade lane locations and better reach out to customers thereby increasing our global market share..

The Group will continue to extend/expand its Commodity Logistics scope, capabilities and market reach. The Group has recently formed a new Company, Straits Financial LLC in USA to clear commodity futures and derivatives trades for its clients. Straits Financial is in the process of registering with National Futures Association as United States Futures Commission Merchant and applying for clearing membership with Chicago Mercantile Exchange.

2. Update on Development of CWT Hub 3

Construction of CWT Hub 3 commenced in Feb 2010 and the construction is on track for completion in the first half of 2011.

3. Redevelopment of property at 49 Pandan Road

Piling work for the new warehouse at 49 Pandan Road is 75% completed. The 5-storey ramp-up warehouse is targeted for completion in the third quarter of 2011.

4. Others

- a. The Group continues to be prudent in its cost management to keep costs constantly in check and to ensure optimization of resources.
- b. The Group does not have any material financial instruments or options that are not accounted for in the financial statements.

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) Book Closure Date

No Applicable

(d) Date Payable

No Applicable.

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

Not Applicable.

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

	Aggregate Value S\$'000
Purchases	
- C&P Capital Pte Ltd	859
- C&P Transport Pte Ltd	214
- Geo Integrated Pte Ltd	100

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 3Q10 financial results to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

**LYE SIEW HONG – LYNDIA GOH
COMPANY SECRETARY
8th November 2010**