



Eng Kong Holdings Limited

Full Year Financial Statements And Dividend Announcement

The Directors are pleased to announce the unaudited full year financial statements on consolidated results for the year ended 31 December 2008.

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

	Group		
	Year ended 31 Dec 08 S\$'000	Year ended 31 Dec 07 S\$'000	Variance %
Sales	81,669	71,084	14.9
Cost of sales	(60,867)	(52,204)	16.6
Gross profit	20,802	18,880	10.2
Other operating income	4,642	2,225	108.6
Selling & distribution costs	(3,090)	(2,864)	7.9
Administrative expenses	(11,833)	(10,290)	15.0
Other operating expenses	(1,771)	(720)	145.0
Share of results of associates	1,173	158	642.4
Share of results of joint ventures	(71)	(31)	129.0
Finance costs	(404)	(247)	63.6
Profit before tax	9,448	7,111	32.9
Income tax expense	(286)	(1,187)	(75.9)
Profit after tax	9,162	5,924	54.7
Attributable to:			
Equity holders of the company	9,369	6,150	52.3
Minority interests	(207)	(226)	(8.4)
	9,162	5,924	54.7

	Year ended 31 Dec 08 S\$'000	Year ended 31 Dec 07 S\$'000	Variance %
Profit before tax is arrived at after (crediting)/ charging the following:			
(A) Other income including interest income	(881)	(1,613)	(45.4)
(B) Depreciation and amortisation	3,677	3,623	1.5
(C) Allowance for doubtful receivables	573	123	365.9
(D) Foreign exchange loss/ (gain)	675	(612)	NM
(E) Adjustment of tax in respect of prior years	(1,046)	(627)	66.8
(F) (Gain)/Loss on disposal of property, plant and equipment	(3,717)	2	NM
(G) Preliminary expenses written off	19	-	NM
(H) Impairment loss on available-for-sale investment	77	-	NM
(I) Change in fair value of derivative asset	469	-	NM

NM – Not meaningful

1(b)(i) A balance sheet together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31 Dec 08 S\$'000	31 Dec 07 S\$'000	31 Dec 08 S\$'000	31 Dec 07 S\$'000
Assets				
Current assets				
Cash and bank balances	24,315	13,818	16,339	6,736
Trade and other receivables	19,890	20,802	12,066	17,827
Current portion of long term loan receivable	134	-	134	-
Derivative asset	1,693	-	1,693	-
Inventories	3,556	2,729	-	-
	<u>49,588</u>	<u>37,349</u>	<u>30,232</u>	<u>24,563</u>
Non-current assets				
Property, plant and equipment	21,719	27,703	-	-
Prepaid lease payments	1,739	1,562	-	-
Goodwill	4,120	4,170	-	-
Intangible assets	286	672	-	-
Subsidiaries	-	-	15,487	15,433
Associates	12,777	283	11,525	200
Joint ventures	1,913	1,984	2,015	2,015
Available-for-sale investments	273	651	273	651
Deferred tax assets	46	54	-	-
Loan receivables	994	4,587	994	4,587
	<u>43,867</u>	<u>41,666</u>	<u>30,294</u>	<u>22,886</u>
Total assets	<u>93,455</u>	<u>79,015</u>	<u>60,526</u>	<u>47,449</u>
Liabilities and Equity				
Current liabilities				
Bank loans	5,311	798	4,000	-
Trade and other payables	14,733	13,954	19,885	16,130
Current portion of finance leases	353	258	-	-
Income tax payable	1,197	2,092	276	594
	<u>21,594</u>	<u>17,102</u>	<u>24,161</u>	<u>16,724</u>
Non-current liabilities				
Bank loans	5,888	2,917	2,000	-
Finance leases	633	601	-	-
Dividend payable to minority shareholders	518	1,070	-	-
Deferred tax liabilities	2,735	3,759	-	83
	<u>9,774</u>	<u>8,347</u>	<u>2,000</u>	<u>83</u>
Capital, reserves and minority interests				
Share capital	27,872	27,011	27,872	27,011
Treasury shares	(245)	(136)	(245)	(136)
Reserves	32,492	24,427	6,738	3,767
	<u>60,119</u>	<u>51,302</u>	<u>34,365</u>	<u>30,642</u>
Minority interests	1,968	2,264	-	-
	<u>62,087</u>	<u>53,566</u>	<u>34,365</u>	<u>30,642</u>
Total liabilities and equity	<u>93,455</u>	<u>79,015</u>	<u>60,526</u>	<u>47,449</u>

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 Dec 08 (S\$'000)		As at 31 Dec 07 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
952	4,712	670	386

Amount payable after one year

As at 31 Dec 08 (S\$'000)		As at 31 Dec 07 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
2,716	3,805	2,175	1,343

Details of any collateral

- Loans of S\$2.682 million (31 Dec 07: S\$1.986 million) are secured on a leasehold container yard and office, land development and forklift.
- Finance leases of S\$0.986 million (31 Dec 07: S\$0.859 million) are secured on certain plant and machinery and motor 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.**

	Group	
	Year ended 31 Dec 08 S\$'000	Year ended 31 Dec 07 S\$'000
Operating activities:		
Profit before tax	9,448	7,111
Adjustments for:		
Cost of share based payment	37	-
Change in fair value of derivative asset	469	-
Depreciation of property, plant and equipment	3,278	3,147
Amortisation of prepaid lease	13	62
Amortisation of intangible assets	386	414
Impairment loss on goodwill	13	-
Net foreign currency exchange loss/(gain)	382	(1,020)
(Gain)/Loss on disposal of property, plant and equipment	(3,717)	2
Interest expense	404	247
Interest income	(90)	(391)
Property, plant and equipment written off	108	180
Goodwill written off	-	42
Negative goodwill written off	(57)	-
Intangible assets written off	-	82
Share of results of associated companies	(1,173)	(158)
Share of results of joint venture companies	71	31
Impairment loss on available-for-sale investment	77	-
Allowance for doubtful receivables	573	123
Allowance for stock obsolescence	32	52
Impairment (write back)/ loss on property, plant and equipment	(1)	89
Operating cash flows before movements in working capital	10,253	10,013
Inventories	(859)	37
Trade and other receivables	343	(597)
Trade and other payables	841	(970)
Cash generated from operations	10,578	8,483
Interest paid	(404)	(247)
Interest received	90	391
Income taxes paid	(2,193)	(796)
Net cash from operating activities	8,071	7,831
Investing activities:		
Loan receivable	(1,101)	(4,587)
Acquisition of investment in joint ventures	-	(2,015)
Acquisition of investment in associates	(8,800)	-
Acquisition of subsidiaries net of cash acquired	-	(2)
Additional investment in subsidiaries	-	(26)
Purchase of shares from minority interests	(111)	(149)
Purchase of property, plant and equipment	(7,705)	(3,917)
Prepaid lease payments made	(96)	(20)
Proceeds from disposal of property, plant and equipment	14,238	103
Proceeds from disposal of available-for-sale investments	301	250
Net cash used in investing activities	(3,274)	(10,363)
Financing activities:		
Movements in fixed deposits pledged	(1)	24
Investment by minority shareholders	-	133
Repayment of finance lease	(312)	(219)
Dividends paid	(1,472)	(1,161)
Dividends paid to minority shareholders	(608)	(1,065)
Proceeds on issue of shares	717	1,600
Proceeds from bank loans	10,948	316
Repayment of bank loans	(3,464)	(748)
Purchase of treasury shares	(109)	(136)
Net cash from/ (used in) financing activities	5,699	(1,256)
Net increase/(decrease) in cash and cash equivalents	10,496	(3,788)
Cash and cash equivalents at beginning of year	13,808	17,596
Cash and cash equivalents at end of year	24,304	13,808

Cash and cash equivalents included in the consolidated statement of cash flows comprise of cash and bank balances and fixed deposits. It excluded cash and cash equivalents pledged to banks as a security of S\$11,000 (31 Dec 07: S\$10,000).

1(d)(i) A statement showing either (i) all changes in equity or (ii) changes in other than those arising from capitalisation and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding year.

GROUP

	Attributable to equity holders of the company							Total	Minority interests	Total equity
	Share capital S\$'000	Treasury shares S\$'000	Warrants reserve S\$'000	Capital reserve S\$'000	Translation reserve S\$'000	Employee share option reserve S\$'000	Retained earnings S\$'000			
As at 1 Jan 07	25,108	-	520	269	(1,423)	54	21,079	45,607	2,528	48,135
Exchange differences arising on translation of foreign operations	-	-	-	-	(758)	-	-	(758)	(24)	(782)
Transfer	-	-	-	-	1,176	-	(1,176)	-	-	-
Net income and expense recognised directly in equity	-	-	-	-	418	-	(1,176)	(758)	(24)	(782)
Profit for the year	-	-	-	-	-	-	6,150	6,150	(226)	5,924
Total recognized income and expense for the year	-	-	-	-	418	-	4,974	5,392	(250)	5,142
Issue of ordinary shares	1,600	-	-	-	-	-	-	1,600	-	1,600
Exercise of warrants	284	-	(284)	-	-	-	-	-	-	-
Exercise of employee share options	19	-	-	-	-	(19)	-	-	-	-
Repurchase of shares	-	(136)	-	-	-	-	-	(136)	-	(136)
Additional investment	-	-	-	-	-	-	-	-	133	133
Acquisition of subsidiary	-	-	-	-	-	-	-	-	26	26
Acquisition from a minority interest	-	-	-	-	-	-	-	-	(149)	(149)
Dividends	-	-	-	-	-	-	(1,161)	(1,161)	(24)	(1,185)
As at 31 Dec 07	27,011	(136)	236	269	(1,005)	35	24,892	51,302	2,264	53,566

	Attributable to equity holders of the company							Total	Minority interests	Total Equity
	Share capital S\$'000	Treasury shares S\$'000	Warrants reserve S\$'000	Capital reserve S\$'000	Translation reserve S\$'000	Employee share option reserve S\$'000	Retained earnings S\$'000			
As at 1 Jan 08	27,011	(136)	236	269	(1,005)	35	24,892	51,302	2,264	53,566
Exchange differences arising on translation of foreign operations	-	-	-	-	331	-	-	331	125	456
Net income and expense recognised directly in equity	-	-	-	-	331	-	-	331	125	456
Profit for the year	-	-	-	-	-	-	9,369	9,369	(207)	9,162
Total recognized income and expense for the year	-	-	-	-	331	-	9,369	9,700	(82)	9,618
Issue of ordinary shares	717	-	-	-	-	-	-	717	-	717
Exercise of warrants	144	-	(144)	-	-	-	-	-	-	-
Cost of share-based payment	-	-	-	-	-	37	-	37	-	37
Repurchase of shares	-	(109)	-	-	-	-	-	(109)	-	(109)
Acquisition of subsidiary	-	-	-	-	-	-	-	-	(59)	(59)
Acquisition from a minority interest	-	-	-	-	-	-	-	-	(155)	(155)
Dividends	-	-	-	-	-	-	(1,528)	(1,528)	-	(1,528)
As at 31 Dec 08	27,872	(245)	92	269	(674)	72	32,733	60,119	1,968	62,087

COMPANY

	Attributable to equity holders of the company					Total equity
	Share capital	Treasury shares	Warrants reserve	Employee share option reserve	Retained earnings	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 1 Jan 07	25,108	-	520	54	613	26,295
Profit for the year	-	-	-	-	4,044	4,044
Issue of ordinary shares	1,600	-	-	-	-	1,600
Exercise of warrants	284	-	(284)	-	-	-
Exercise of employee share options	19	-	-	(19)	-	-
Repurchase of shares	-	(136)	-	-	-	(136)
Dividends	-	-	-	-	(1,161)	(1,161)
As at 31 Dec 07	27,011	(136)	236	35	3,496	30,642

	Attributable to equity holders of the company					Total equity
	Share capital	Treasury shares	Warrants reserve	Employee share option reserve	Retained earnings	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 1 Jan 08	27,011	(136)	236	35	3,496	30,642
Profit for the year	-	-	-	-	4,550	4,550
Issue of ordinary shares	717	-	-	-	-	717
Exercise of warrants	144	-	(144)	-	-	-
Cost of share-based payment	-	-	-	37	-	37
Repurchase of shares	-	(109)	-	-	-	(109)
Dividends	-	-	-	-	(1,472)	(1,472)
As at 31 Dec 08	27,872	(245)	92	72	6,574	34,365

1(d)(ii) Details of any changes in the company's share capital arising from rights issues, 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.

	Share capital		Treasury shares		Share capital excluding treasury shares	
	No of shares	S\$	No of shares	S\$	No of shares	S\$
As at 1 Jan 08	238,769,200	27,011,000	600,000	136,000	238,169,200	26,875,000
Exercise of warrants	14,353,260	861,000	-	-	14,353,260	861,000
Purchased during the year	-	-	700,000	109,000	-700,000	-109,000
As at 31Dec 08	253,122,460	27,872,000	1,300,000	245,000	251,822,460	27,627,000

	Share options	Warrants
	No of options	No of warrants
As at 1 Jan 08	1,932,000	23,581,050
Share options granted and accepted on 28 May 08	1,168,000	-
Exercise of warrants	-	-14,353,260
Cancellation of share options	-98,000	-
As at 31 Dec 08	3,002,000	9,227,790

During the year, 14,353,260 ordinary shares were issued pursuant to the exercise of warrants. This gave rise to an increase in the Company's share capital from S\$27,011,000 as at 31 Dec 07 to S\$27,872,000 as at 31 Dec 08.

During the year, the Company purchased 700,000 ordinary shares in accordance with the authority and limitations placed under a share purchase mandate approved by the shareholders. The share purchases were carried out by way of on-market acquisitions at a weighted average market price of S\$0.156 per share. Including incidental costs, the total consideration was S\$109,000. The shares purchased were retained in the Company as treasury shares.

During the year, the Company has granted and the staff have accepted 1,168,000 share options. As at 31 Dec 08, there were 3,002,000 outstanding share options (31 Dec 07: 1,932,000).

As at 31 Dec 08, there were 9,227,790 outstanding warrants (31 Dec 07: 23,581,050).

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or on equivalent standard).

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' 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 disclosed in Section 5, the unaudited financial statements have been prepared applying accounting policies and methods of computation consistent with those used in the preparation of the audited financial statements for the financial year ended 31 Dec 07.

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.

The Group has adopted all the new and revised Singapore Financial Reporting Standards (“FRSs”) and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for annual periods beginning on or after 1 Jan 08. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group’s and Company’s accounting policies and has no material effect on the amounts reported for the current or prior years.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

- (i) Based on weighted average number of ordinary shares on issued; and
- (ii) On a fully diluted basis

Group	
Jan to Dec 08	Jan to Dec 07
3.86 cents	2.69 cents
3.63 cents	2.40 cents

Earnings per ordinary share are calculated on the Group profit attributable to shareholders of the Company divided by the weighted average number of ordinary shares of 242,883,040 for year ended 31 Dec 08 (year ended 31 Dec 07: 228,400,298).

Diluted earnings per ordinary share are computed based on the same basis as earnings per share by applying the weighted average number of ordinary shares in issuance during the year under review and adjusted to include all potential dilutive ordinary shares up to 31 Dec 08. The adjusted weighted average number of ordinary shares applicable to diluted earnings per shares was 258,182,833 for year ended 31 Dec 08 (year ended 31 Dec 07: 256,118,102).

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 period reported on and (b) immediately preceding financial year.

Net asset value per ordinary share based on existing issued share capital as at the end of the year

Group		Company	
31 Dec 08	31 Dec 07	31 Dec 08	31 Dec 07
23.9 cents	21.5 cents	13.6 cents	12.9 cents

Net asset value per ordinary share for the Group and Company is based on 251,822,460 shares as at 31 Dec 08 (31 Dec 07: 238,169,200). The number of shares used in the computation of net assets value per ordinary share for the Group and Company excludes those shares held as treasury shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Profit and Loss

For 2008, the Group registered a growth in sales of 14.9% to S\$81.7 million as compared to S\$71.1 million in 2007.

Sales

The increase in sales by S\$10.6 million was mainly attributed to:

- i) Higher sales from Container Depot Operation segment of S\$6.2 million mainly due to higher storage, handling and sale of parts (mainly came from Singapore, Shekou, Yantian, Penang, Tianjin depots, offset by reduction from Hong Kong depot) and transportation sales (mainly came from Singapore and Thailand); and
- ii) Higher sales from the Container Sales, Agencies and Survey segment of S\$4.3 million mainly due to more used containers sold.

Costs

The increase in cost of sales by S\$8.7 million or 16.6% from S\$52.2 million to S\$60.9 million was because of:

- i) Higher sales (with lower margin due to competition);
- ii) Higher allowance for doubtful receivables under Container Depot Operation segment;
- iii) Higher depreciation costs arising from new capital expenditures from new workshop in Singapore and additional depot locations in Malaysia and Thailand under Container Depot Operation segment; and
- iv) Increased transportation and handling costs due to higher fuel costs under Container Depot Operation segment.

Other operating income increased by S\$2.4 million or 108.6% from S\$2.2 million to S\$4.6 million. This mainly came from gain from disposal of property, plant and equipment, partially offset by exchange gain in 2007.

Administrative expenses increased by S\$1.5 million or 15.0% from S\$10.3 million to S\$11.8 million mainly due to higher headcount costs, printing, repair and maintenance costs.

Other operating expenses increased by S\$1.1 million or 145.0% from S\$0.7 million to S\$1.8 million mainly due to exchange loss by S\$0.7 million and the change in fair value of derivative asset by S\$0.5 million (please refer to "derivative asset" below).

Share of results of associate increased by S\$1.0 million or 642.4% from S\$0.2 million to S\$1.2 million mainly due to the share of results from Gold Prime Holdings Limited ("GPHL") on completion of the acquisition in mid 2008.

Income tax expense reduced by S\$0.9 million primarily due to over-provision of prior years' tax.

As a result, profit attributable to equity holders of the Company increased by S\$3.2 million or 52.3% from S\$6.2 million to S\$9.4 million.

Balance sheet

Current Assets

Trade and other receivables decreased by S\$0.9 million from S\$20.8 million to S\$19.9 million. This was mainly due to the allowance for doubtful receivables.

Derivative asset arose from the fair value of the call option granted by GPHL for Eng Kong Holdings Limited to exercise additional 20% of the enlarged shares in GPHL within 3 years following the completion of acquisition of 30% in GPHL (please refer to "investment in associates" below).

Inventories increased by S\$0.8 million from S\$2.7 million to S\$3.6 million mainly due to increased stocks.

Non-current Assets

Property, plant and equipment decreased by S\$6.0 million from S\$27.7 million to S\$21.7 million. The decrease was mainly due to disposal of Eng Kong Tech Park property.

Investment in associates increased by S\$12.5 million from S\$0.3 million to S\$12.8 million. This was primarily due to the Group's 30% acquisition of GPHL of S\$10.8 million, 25% investment in O&G Eng Kong Container (Xiamen) Co Ltd (formerly known as Eng Kong Container (Xiamen) Co Ltd) ("EKCX") of S\$0.4 million, 35% investment in QEL Handlers Sdn Bhd (formerly known as Summit Jade Sdn Bhd) of S\$0.1 million and contribution of results from these associates by S\$1.2 million.

The decrease in loan receivables (including current portion of long term loan receivable) by S\$3.5 million from S\$4.6 million to S\$1.1 million was mainly due to the conversion of convertible loan receivables into shares of GPHL.

Current Liabilities

Trade and other payable increased by S\$0.8 million from S\$14.0 million to S\$14.8 million mainly due to purchase of 1 unit of forklift which remained unpaid as at year end.

Bank loans increased by S\$4.5 million from S\$0.8 million to S\$5.3 million primarily due to acquisition of GPHL.

Non-current Liabilities

Bank loans increased by S\$3.0 million from S\$2.9 million to S\$5.9 million primarily due to acquisition of GPHL.

Cashflow

The Group's cash and cash equivalents in 2008 increased by S\$10.5 million to S\$24.3 million mainly due to cash from operating activities of S\$8.1 million, cash from financing activities of S\$5.7 million and offset by cash used in investing activities of S\$3.3 million.

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

Not applicable.

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.

The container shipping lines and container leasing companies are in the midst of a slowdown which is expected to extend through 2009. Facing such downturn in the container shipping volume, the Group expects its utilisation rate to increase with more empty containers to be placed at its depots. Hence the Group is planning to increase its current capacity in the region to meet the surge in the demand for container storage space from its customers.

In the current global financial crisis and economic turmoil faced by its customers, the Group will face a higher risk on its receivables like any other company.

11. Dividend

(a) Current Financial Period Reported On

The Directors are pleased to recommend a final dividend of 0.3 cents per ordinary share and special dividend of 0.6 cents per ordinary share.

Proposed Final Dividends:

(1) Final

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount Per Share	0.3 cents per ordinary share
Tax Rate	Not applicable (one-tier tax exempt)

(2) Final - Special

Name of Dividend	Final - Special
Dividend Type	Cash
Dividend Amount Per Share	0.6 cents per ordinary share
Tax Rate	Not applicable (one-tier tax exempt)

Dividend Paid:

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount Per Share	0.3 cents per ordinary share
Tax Rate	Not applicable (one-tier tax exempt)

(b) Corresponding Period of the Immediately Preceding Financial Year

Dividend declared for the corresponding period of the immediately preceding financial year were as follow:

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount Per Share	0.3 cents per ordinary share
Tax Rate	Not applicable (one-tier tax exempt)

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount Per Share	0.3 cents (less tax) per ordinary share
Tax Rate	18%

(c) Date payable

29 May 2009

(d) Books closure date

Registrable Transfers received by the company up to 5.00pm on 7 May 2009 will be registered before entitlements to the dividend are determined. Books closure date is 8 May 2009.

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 issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Business segment	Container Depot Operation	Warehousing & CFS	Container Sales, Agencies & Survey	Others	Eliminations	Consolidated
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Year ended 31 Dec 08</u>						
Sales						
External sales	62,560	6,995	12,068	46	-	81,669
Inter-segment sales	134	-	-	-	(134)	-
Total sales	62,694	6,995	12,068	46	(134)	81,669
Segment results	4,906	4,978	1,636	7	-	11,527
Unallocated corporate expenses						(2,868)
Operating profit						8,659
Interest income						91
Interest expense						(404)
Share of results of associates						1,173
Share of results of joint ventures						(71)
Profit before tax						9,448
Income tax expense						(286)
Profit after tax						9,162
Minority interests						207
Net profit attributable to equity holders of the company						9,369
<u>Year ended 31 Dec 07</u>						
Sales						
External sales	56,334	6,893	7,811	46	-	71,084
Inter-segment sales	109	-	-	-	(109)	-
Total sales	56,443	6,893	7,811	46	(109)	71,084
Segment results	5,702	1,517	1,243	446	-	8,908
Unallocated corporate expenses						(2,070)
Operating profit						6,838
Interest income						392
Interest expense						(247)
Share of results of associates						123
Share of results of joint ventures						5
Profit before tax						7,111
Income tax expense						(1,187)
Profit after tax						5,924
Minority interests						226
Net profit attributable to equity holders of the company						6,150

14. In view of performance, the factors leading to any material changes in contribution to turnover and earnings by the business or geographical segments.

The results under Warehousing & CFS segment has increased by S\$3.5 million despite sales has increased only S\$0.1 million mainly due to the disposal of Eng Kong Tech Park property with a gain on disposal of S\$3.6 million.

The results under Others segment has reduced mainly due to more exchange loss.

Please refer to Section 8 for the analysis on the changes in sales and costs for the Container Depot Operation and Container Sales, Agencies & Survey segments.

15. A breakdown of sales as follows:

	Group		
	Year ended 31 Dec 08 S\$'000	Year ended 31 Dec 07 S\$'000	Change %
(a) Sales reported for first half year	39,966	34,593	15.5
(b) Operating profit after tax before deducting minority interest reported for first half year	3,113	1,911	62.9
(c) Sales reported for second half year	41,703	36,491	14.3
(d) Operating profit after tax before deducting minority interest reported for second half year	6,049	4,013	50.7

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

	Year ended 31 Dec 2008 S\$'000	Year ended 31 Dec 2007 S\$'000
(a) Ordinary	1,472	1,161
(b) Preference	-	-
Total	1,472	1,161

BY ORDER OF THE BOARD

Li Hung
Deputy Chairman
26 Feb 09