

FREIGHT LINKS EXPRESS HOLDINGS LIMITED
(Company Registration No. 198600061G)

Full Year Financial Statement And Dividend Announcement For The Year Ended 30 April 2011

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**

Consolidated Profit and Loss Account

	The Group		
	FY2011	FY2010	Increase/(Decrease)
	S\$'000	S\$'000	%
Revenue	154,128	125,802	22.5
Other income	19,089	14,502	31.6
Accretion of deferred revenue	11,089	2,989	271.0
Freight and related costs	(73,734)	(62,908)	17.2
Rental expenses on operating leases	(24,403)	(15,335)	59.1
Warehouse upkeep and related costs	(7,173)	(5,556)	29.1
Exhibition design and build costs	(2,388)	(2,568)	(7.0)
Staff costs	(25,825)	(21,998)	17.4
Depreciation of property, plant and equipment	(8,473)	(6,159)	37.6
Other operating expenses	(17,925)	(10,286)	74.3
Results from operating activities	24,385	18,483	31.9
Finance income	873	576	51.6
Finance expense	(1,076)	(2,633)	(59.1)
Net finance costs	(203)	(2,057)	(90.1)
Share of profit of associates, net of tax	1,527	880	73.5
Profit before income tax	25,709	17,306	48.6
Income tax expense	(5,560)	(2,138)	160.1
Profit for the year	20,149	15,168	32.8
Attributable to:			
Equity holders of the Company	16,286	13,851	17.6
Non-controlling interests	3,863	1,317	193.3
Profit for the year	20,149	15,168	32.8

N/M denotes Not Meaningful

Notes to Income Statement
(a) Additional Disclosure Items

	FY2011	FY2010
	S\$'000	S\$'000
Gain on fair value of interest rate swaps	-	156
(Loss)/Gain on fair value of marketable securities	(3,237)	509
Gain on fair value of investment properties	-	1,700
Impairment loss on leasehold properties written back	13,988	4,417
Interest income on convertible loans to an associate	852	2,471
Dividend income	862	7
Gain on disposal of property, plant and equipment	2,934	220
Gain on disposal of marketable securities	59	26
Gain on disposal of subsidiaries	-	3,960
Property, plant & equipment written off	(4)	-
Foreign exchange loss	(7,113)	(3,733)
Bad debts recovered	5	4
Bad debts written off	(99)	(24)
Allowance for doubtful trade receivables	(75)	(19)
Allowance for doubtful receivables written back	12	8
Write-off of receivables from an associate	-	(809)
Write-back of accruals no longer required	-	13
Current year tax provision	(4,841)	(1,476)
Reduction/(Provision) of deferred tax liabilities	300	(903)
(Under)/Over provision for tax in respect of prior years	(1,019)	241

- (b) Other income included write back of property impairment loss of \$14.0 million, gain of \$2.9 million from the sale and leaseback of the properties to Sabana REIT and dividend income of \$0.8 million from Sabana REIT. The increase in other income was mitigated by the lower interest income on convertible loan to a PRC associate and non-recurring gain on disposal of Australian subsidiary recognised in December 2009.
- (c) Accretion of deferred revenue increased due to amortisation of the deferred gains arising from the sale and leaseback of the properties to Sabana REIT.
- (d) The increase in freight costs was in tandem with higher volume and freight rates.
- (e) Rental expense increased mainly due to higher rental of leased properties. There was also higher rental of warehouses and equipment for the chemical logistics business as a result of strong demand. In addition, there was an upward revision in JTC land rental rates and the 15% rental rebate extended to companies in 2010 was not available in 2011.
- (f) Warehouse upkeep and related costs increased mainly due to the phase out of the property tax rebate, refund of property tax in 2Q10 and an upward revision of annual value of warehouses which resulted in higher property tax. There was also higher building repair and maintenance costs.
- (g) Exhibition design and build costs were lower as a result of fewer overseas exhibitions, events and interior projects.
- (h) Staff costs increased as business improved in line with the economic recovery. This was also due to acquisition of new subsidiaries during the year.
- (i) The increase in depreciation of property, plant and equipment was due to the accelerated depreciation for the property at 146 Gul Circle in view of the Group's plan to demolish the building to make way for the redevelopment of the property into a 3 storey ramp-up warehouse.
- (j) Other operating expenses increased due to loss on fair value of marketable securities and higher foreign exchange loss arising from further weakening of US dollar and Renminbi against Singapore dollar.
- (k) The increase in finance income was mainly due to interest income from high yield corporate bonds.
- (l) Lower finance expense was due to the repayment of bank borrowings.
- (m) Share of profits from associates increased due to higher profit contribution from an associate in Malaysia and impairment loss of \$0.3 million in respect of the investment in a PRC associate in the preceding financial year.
- (n) The increase in income tax expense was largely due to a one-off tax balancing charge resulting from the claw-back of IBA allowances from the sale and leaseback of the properties, the taxable profit from the management fees business and the additional provision for tax in respect of prior years. The additional tax was provided upon finalisation of the basis of taxation by IRAS in December 2010.
- (o) Income attributable to non-controlling interests increased mainly due to net profit arising from a new 51% subsidiary acquired during the year.

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

	Group		Company	
	As at 30/04/2011	As at 30/04/2010	As at 30/04/2011	As at 30/04/2010
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	64,154	106,771	340	423
Intangible assets	1,454	982	-	-
Investment properties	-	25,700	-	-
Subsidiaries	-	-	12,249	12,263
Associates	51,573	38,745	37,980	25,873
Other investments	27,161	50	22	22
Other receivables	164	2,208	117,862	86,077
	144,506	174,456	168,453	124,658
Current assets				
Trade and other receivables	36,138	35,298	1,917	2,907
Other investments	93,877	193	71,340	-
Cash and cash equivalents	28,612	38,517	5,202	21,316
	158,627	74,008	78,459	24,223
Total assets	303,133	248,464	246,912	148,881
Equity attributable to equity holders of the Company				
Share capital	80,149	75,116	80,149	75,116
Other reserves	6,145	9,186	7,082	7,082
Accumulated profits	69,804	60,978	33,509	27,299
	156,098	145,280	120,740	109,497
Non-controlling interests	8,724	5,360	-	-
Total equity	164,822	150,640	120,740	109,497
Non-current liabilities				
Financial liabilities	9,118	48,666	-	11,593
Other payables	72,092	3,668	124,946	24,082
Deferred tax liabilities	204	511	4	4
	81,414	52,845	124,950	35,679
Current liabilities				
Trade and other payables	49,077	34,664	894	852
Financial liabilities	2,661	8,837	10	2,300
Current tax payables	5,159	1,478	318	553
	56,897	44,979	1,222	3,705
Total liabilities	138,311	97,824	126,172	39,384
Total equity and liabilities	303,133	248,464	246,912	148,881

Notes on the Balance Sheets

- a) Decrease in property, plant and equipment relates to the three properties at 51 Penjuru Rd, 33 & 35 Penjuru Lane and 18 Gul Drive which were sold to Sabana REIT in November 2010. It was also due to the accelerated depreciation for the property at 146 Gul Circle in view of the Group's plan for redevelopment of the property into a 3-storey ramp-up warehouse.
- b) Increase in intangible asset was attributed to goodwill on consolidation arising from the 51% equity interest in Sabana Investment Partners Pte Ltd which was acquired in August 2010.
- c) Decrease in investment properties relates to the two properties at 30 & 32 Tuas Avenue 8 and 218 Pandan Loop which were sold to Sabana REIT in November 2010.
- d) Investment in associates increased mainly due to the acquisition of shares in China Southwest Energy Corporation Ltd and Sentosa Capital Pte Ltd. There was also profit contribution from our associate Freight Management Sdn Bhd in Malaysia.
- e) Non-current other investments comprises available-for-sale financial assets, namely the quoted investment in Sabana REIT units.
- f) At Group level, the decrease in non-current other receivables was due to loan repayment by a related company to a subsidiary in China. At Company level, the increase in non-current other receivables was mainly due to advances extended to a subsidiary for the purchase of quoted investments. There was also write back of doubtful debt provision for amounts due from subsidiaries no longer required.
- g) At Group level, trade and other receivables increased mainly due to an overall increase in revenue. At Company level, the decrease in trade and other receivables was due to repayment of loan by a China PRC associate company.
- h) Increase in other investments was mainly due to the subscription for shares of US\$30.0 million in Sentosa Asian Credit Offshore Feeder Fund Limited, and purchase of quoted investments and corporate bonds.
- i) Cash and cash equivalents decreased mainly due to the repayment of bank borrowings, investment in associates, equity shares and corporate bonds.
- j) Increase in share capital was due to the scrip dividend of 91,507,897 new shares allotted to shareholders.
- k) Decrease in other reserves was due to the fair value loss on available-for-sale financial assets.
- l) Non-controlling interests increased due to earnings from a 51% subsidiary in the chemical logistics business and net profit arising from a new 51% subsidiary acquired during the year.
- m) Decrease in financial liabilities relates to repayment of net bank borrowings of \$46.8 million in FY2011.
- n) At Group level, non-current other payables relate to recognition of the deferred gain arising from the sale and leaseback of the properties as recorded in accordance with Financial Reporting Standard 17 – "Leases". The deferred gains are credited to the profit and loss over the leaseback period. At Company level, the increase in non-current other payables was due to loans and advances from subsidiaries.
- o) Decrease in deferred taxation relates to deferred tax liabilities no longer required due to the sale of properties to Sabana REIT credited to profit and loss.
- p) Trade and other payables increased mainly due to recognition of the current portion of deferred gain arising from the sale and leaseback of the properties.
- q) Current tax payables increased mainly due to the balancing tax charge resulting from the sale and leaseback of the properties and profit contribution from the new management fees business.

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

Amount repayable in one year or less, or on demand

	As at 30/04/2011		As at 30/04/2010	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	1,448	-	7,539	-
Finance lease liabilities	1,213	-	1,298	-
Total	2,661	-	8,837	-

Amount repayable after one year

	As at 30/04/2011		As at 30/04/2010	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	7,430	-	46,322	-
Finance lease liabilities	1,688	-	2,344	-
Total	9,118	-	48,666	-

Details of any collateral

The bank borrowings of the subsidiaries are guaranteed by the Company and are secured by legal mortgages over the Group's freehold and leasehold properties. The finance lease liabilities are secured by the assets under finance leases.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Cash Flow Statement

Operating activities

	FY2011	FY2010
	S\$'000	S\$'000
Profit before income tax	25,709	17,306
Adjustments for:		
Depreciation of property, plant and equipment	8,473	6,159
Gain on disposal of property, plant and equipment	(2,934)	(220)
Property, plant & equipment written off	4	-
Write-off of receivables from an associate	-	809
Loss/(Gain) on financial assets at fair value through profit or loss (net):		
- marketable securities	3,237	(509)
- interest rate swaps	-	(156)
Gain on sale of marketable securities	(59)	(26)
Gain on disposal of subsidiaries	-	(3,960)
Share of profit of associates	(1,527)	(880)
Accretion of deferred revenue	(11,089)	(2,989)
Dividend income from financial assets at fair value through profit or loss	(862)	(7)
Impairment loss on leasehold properties written back	(13,988)	(4,417)
Gain on fair value of investment properties	-	(1,700)
REIT management fee received/ receivable in units	(1,233)	-
Finance expense	1,076	2,633
Finance income	(873)	(576)
Interest income on convertible loans to an associate	(852)	(2,471)
Foreign exchange loss	6,349	3,728

Changes in working capital:

Trade and other receivables	(1,809)	(15,163)
Trade and other payables	455	15,970
Cash generated from operations	10,077	13,531
Income taxes refunded	189	256
Income taxes paid	(2,315)	(1,137)

Cash flows from operating activities

Investing activities

Proceeds from sale of property, plant and equipment	159,803	314
Proceeds from sale of investment properties	36,909	-
Purchase of property, plant and equipment	(21,377)	(9,936)
Acquisition of shares in associates	(17,519)	(1,138)
Acquisition of subsidiaries, net of cash acquired	(1,289)	-
Prepayment of proposed investment in Citic Logistics Co., Ltd	-	(5,697)
Repayment of loan by an associate	1,226	-
Redemption of convertible loan to an associate	1,625	13,433
Refund of investment in and repayment of loan to Citic Logistics Co., Ltd	-	18,049
Dividends received		
- financial assets at fair value through profit or loss	41	7
- an associate	436	337
Purchase of other investments	(127,684)	-
Proceeds from sale of other investments	522	873
Proceeds from disposal of subsidiaries, net of cash disposed	-	1,360
Finance income received	918	203
Loan to related parties	(1,737)	-
Repayment of loan by a related party	2,117	2,110
Receipt of interest income on convertible loans to an associate	-	2,471

Cash flows from investing activities

Financing activities

Proceeds from issue of new shares	-	900
Proceeds from borrowings	13,213	6,800
Repayment of loan to immediate holding company	-	(3,000)
Repayment of loan to a director	(580)	(942)
Repayment of borrowings	(59,963)	(31,882)

	FY2011	FY2010
	S\$'000	S\$'000
Consolidated Cash Flow Statement (continued)		
Payment of finance lease liabilities	(1,431)	(1,281)
Dividend paid to shareholders of the Company	(2,427)	-
Dividend paid to minority interests of subsidiaries	-	(175)
Finance expense	(1,198)	(2,778)
Cash flows from financing activities	(52,386)	(32,358)
Net (decrease)/ increase in cash and cash equivalents	(10,444)	2,678
Cash and cash equivalents at beginning of year	37,965	33,807
Effect of exchange rate fluctuations on cash and cash equivalents	149	1,480
Cash and cash equivalents at end of year	27,670	37,965
Cash and cash equivalents comprise the following:		
Cash at bank and in hand	24,305	13,333
Deposits with banks	4,307	25,184
Cash and cash equivalents	28,612	38,517
Bank overdrafts	(942)	(552)
Cash and cash equivalents in the cash flow statement	27,670	37,965

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)(i)(a) Consolidated Statement of Comprehensive Income for the year ended 30 April 2011

	The Group		
	FY2011	FY2010	Increase/
	S'\$000	S'\$000	(Decrease)
			%
Net profit for the year	20,149	15,168	32.8
Other comprehensive income			
Fair value changes on available-for-sale financial assets	(2,949)	-	n.m
Foreign currency translation differences for foreign operations	(158)	391	n.m
Other comprehensive income, net of tax	(3,107)	391	n.m
Total comprehensive income	17,042	15,559	9.5
Total comprehensive income attributable to:			
Equity holders of the Company	13,245	14,622	(9.4)
Non-controlling interests	3,797	937	305.2
	17,042	15,559	9.5

**1(d)(i)(b) Statement of Changes in Equity
For the year ended 30 April 2011**

The Group	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Accumulated profits S\$'000	Total attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 May 2010	75,116	7,082	-	2,104	60,978	145,280	5,360	150,640
Total comprehensive income for the year								
Profit for the year	-	-	-	-	16,286	16,286	3,863	20,149
Other comprehensive income								
Fair value changes on available-for-sale financial assets	-	-	(2,949)	-	-	(2,949)	-	(2,949)
Foreign currency translation differences	-	-	-	(92)	-	(92)	(66)	(158)
Total other comprehensive income	-	-	(2,949)	(92)	-	(3,041)	(66)	(3,107)
Total comprehensive income for the year	-	-	(2,949)	(92)	16,286	13,245	3,797	17,042
Transactions with owners of the Company, recognised directly in equity								
Contributions by and distributions to owners of the Company								
Dividends relating to 2010 paid	-	-	-	-	(7,460)	(7,460)	-	(7,460)
Issue of new shares	5,033	-	-	-	-	5,033	-	5,033
Total contributions by and distributions to owners of the Company	5,033	-	-	-	(7,460)	(2,427)	-	(2,427)
Changes in ownership interests in subsidiaries								
Acquisition of non-controlling interests	-	-	-	-	-	-	(433)	(433)
Balance at 30 April 2011	80,149	7,082	(2,949)	2,012	69,804	156,098	8,724	164,822

<u>The Group</u>	<u>Share capital</u> S\$'000	<u>Capital reserve</u> S\$'000	<u>Fair value reserve</u> S\$'000	<u>Foreign currency translation reserve</u> S\$'000	<u>Accumulated profits</u> S\$'000	<u>Total attributable to equity holders of the Company</u> S\$'000	<u>Non-controlling interests</u> S\$'000	<u>Total equity</u> S\$'000
Balance at 1 May 2009	74,216	7,082	-	1,333	47,127	129,758	11,406	141,164
Total comprehensive income for the year								
Profit for the period for the year	-	-	-	-	13,851	13,851	1,317	15,168
Other comprehensive income								
Foreign currency translation differences	-	-	-	771	-	771	(380)	391
Total other comprehensive income	-	-	-	771	-	771	(380)	391
Total comprehensive income for the year	-	-	-	771	13,851	14,622	937	15,559
Transactions with owners of the Company, recognised directly in equity								
Contributions by and distributions to owners of the Company								
Issue of new shares	900	-	-	-	-	900	-	900
Changes in ownership interests in subsidiaries								
Dividends relating to 2009 paid	-	-	-	-	-	-	(175)	(175)
Disposal of non-controlling interests	-	-	-	-	-	-	(2,330)	(2,330)
Capital reduction in subsidiary	-	-	-	-	-	-	(4,478)	(4,478)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	(6,983)	(6,883)
Balance at 30 April 2010	75,116	7,082	-	2,104	60,978	145,280	5,360	150,640

<u>The Company</u>	<u>Share capital</u> S\$'000	<u>Capital reserves</u> S\$'000	<u>Accumulated profits</u> S\$'000	<u>Total equity</u> S\$'000
Balance at 1 May 2010	75,116	7,082	27,299	109,497
Total comprehensive income				
Profit for the period	-	-	13,670	13,670
Transactions with owners of the Company, recognised directly in equity				
Contributions by and distributions to owners of the Company				
Dividends relating to 2010 paid	-	-	(7,460)	(7,460)
Issue of new shares	5,033	-	-	5,033
Total contributions by and distributions to owners of the Company	5,033	-	(7,460)	(2,427)
Balance at 30 April 2011	80,149	7,082	33,509	120,740
Balance at 1 May 2009	74,216	7,082	19,155	100,453
Total comprehensive income				
Profit for the period	-	-	8,144	8,144
Transactions with owners of the Company, recognised directly in equity				
Contributions by and distributions to owners of the Company				
Issue of new shares	900	-	-	900
Balance at 30 April 2010	75,116	7,082	27,299	109,497

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share 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

Details of any changes in the Company's issued share capital

	<u>Number of Ordinary shares</u>	<u>Share Capital</u> S\$'000
As at 1 May 2010	2,131,492,885	75,116
Issue of new shares	91,507,897	5,033
As at 30 April 2011	<u>2,223,000,782</u>	<u>80,149</u>

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Please refer to 1(d)(ii). There were no treasury shares as at April 30, 2011

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

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 an equivalent standard)**

The figures have not been audited or reviewed by the auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 paragraph 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year compared with the audited financial statements for the financial year ended 30 April 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**

The Group adopted various new/revised Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) which took effect for the financial year beginning 1 May 2010. The adoption of these new/revised FRS and INT FRS did not result in any significant impact on the financial statements of the Group.

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**

	FY 2011	FY 2010
<u>Earnings per ordinary share</u>		
(a) Based on the weighted average number of ordinary shares on issue	0.73 cents	0.62 cent
(b) On a fully diluted basis	0.73 cents	0.62 cent

The basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 2,223,000,782 (30 April 2010: 2,220,809,001).

The fully diluted earning per share is calculated based on the weighted average number of ordinary shares of 2,223,000,782 (30 April 2010: 2,220,809,001).

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**

	<u>As at</u> <u>30/04/2011</u> Cents	<u>As at</u> <u>30/04/2010</u> Cents
Net assets value per ordinary share		
The Group	7.02	6.82
The Company	5.43	5.14

Net asset value per share is calculated based on 2,223,000,782 (30 April 2010: 2,131,492,885) ordinary shares in issue at the end of the financial year under review and of the immediately preceding financial year.

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

Financial Performance

The Group reported a net profit attributable to shareholders of \$16.3 million for the financial year ended 30 April 2011, an increase of 17.6% or \$2.4 million from a year ago. The Group revenue increased by 22.5% or \$28.3 million to \$154.1 million from \$125.8 million in the previous corresponding year. As a result, earnings per share rose 17.7% to 0.73 cent from 0.62 cent in the previous year.

For the financial year ended 30 April 2011, the Group reported higher turnover of \$154.1 million from \$125.8 million in FY2010. This was largely due to the new management fees business, freight rate increases, higher storage and transportation charges, and added chemical storage capacity.

The net profit was higher due to higher business volume, including contribution from the management fees business, write-back of impairment loss on property, gain on sale and leaseback of the properties and write-off of receivable from an associate in FY2010. These were partially offset by loss on fair value of marketable securities, lower interest income from an associate, higher foreign exchange losses, higher tax expenses, and the non-recurring gain on disposal of an Australian subsidiary in December 2009.

Excluding the exceptional gains on sale of the properties and related tax expense charges, write-back of impairment loss on property, fair value gain/loss on financial assets, foreign exchange loss, gain on disposal of subsidiary and write-off of receivable from an associate, net profit was \$13 million, 55.9% higher than the previous financial year.

Turnover from freight forwarding business increased by 13.8% or \$8.3 million to \$68.8 million compared to a year ago due to higher freight rates and volume. The segment profit before interest and tax improved by 14.4% or \$655,000 to \$5.2 million compared to \$4.5 million in FY2010. However, the profit after tax for this segment decreased by 3.1% or \$0.1 million to \$3.6 million compared to \$3.7 million in FY2010. This was due to provision for retirement fund by a Thailand subsidiary and under-provision for income tax in prior years.

The chemical storage and logistics business improved significantly due to added capacity from a newly completed chemical warehouse as well as a more robust petrochemical industry sector. Revenue grew by 20.8% or \$8.7 million to \$50.2 million from \$41.6 million in FY2010. However, the segment profit after tax fell by 25.1% to \$2.0 million due to a claim paid to customer, higher rental and property tax, and absence of job credit grant.

Warehousing and logistics business improved by 14.6% or \$2.8 million to \$22.2 million. The Group wrote back an impairment loss of \$13.5 million on a warehouse property, based on professional independent valuations, due to an additional 30-year lease term granted by JTC. Consequently, this segment profit after tax increased by \$10.7 million to \$19.1 million compared to \$8.4 million in FY2010.

Management fees business recorded a revenue of \$9.1 million mainly contributed by a new subsidiary, 51% stake in Sabana Investment Partners Pte Ltd. This segment posted a net profit of \$5.8 million in FY2011.

Other businesses comprising exhibition design and build, and document storage services reported lower turnover of \$3.8 million, a decline of 13.3% or \$0.6 million from \$4.4 million a year earlier. This was due to fewer overseas projects as well as the disposal of its 80% stake in the subsidiary engaged in the relocation business in April 2010.

Taxation

In respect of the gain recognised on the sale and leaseback of the properties, the Group has taken the view that the properties were capital investment assets, and the disposal was on capital account and accordingly, the gain (including the deferred gain) is regarded as capital in nature and therefore, not subject to income tax.

Cash Flows

As at 30 April 2011, the Group has cash and cash equivalents of \$28.6 million, and is in a net cash position (i.e. net of all bank borrowings) of \$16.8 million.

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

The current announced results are in line with the general market conditions as previously described in the last 3Q FY2011 Financial Statement Announcement.

10. A commentary at the date of the announcement of the 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 Group's participation in the REIT Manager, Sabana Real Estate Investment Management Pte Ltd, and the Property Manager, Sabana Property Management Pte Ltd of the Sabana REIT, through its 51% equity stake in Sabana Investment Partners Pte Ltd, will continue to have a positive impact on the earnings of the Group.

The acquisition of property at 47 Changi South Avenue 2 was completed in March 2011. The Group is redeveloping the existing warehouse property at 146 Gul Circle into a 3-storey ramp-up warehouse.

The outlook for the global economy still remains uncertain especially in the light of the likelihood of government austerity measures in the US and Europe as well as the Euro-zone debt crisis, recent natural calamity in Japan and unrest in the Middle East.

The Group is cautiously optimistic about its business prospects and will continue to exercise vigilance in keeping operating costs under control.

11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	First and Final
Dividend type:	Cash or scrip
Dividend Amount per share (in cents)	0.4 cent per ordinary share
Tax Rate:	Tax exempt

The Company's Scrip Dividend Scheme (as adopted at the extraordinary general meeting of the Company held on 29 August 2010) under which shareholders may elect to receive dividends in the form of scrip in lieu of cash is to be applicable to the Proposed First and Final Dividend for FY2011.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	First and Final
Dividend type:	Cash or scrip
Dividend Amount per share (in cents)	0.25 cent per ordinary share
Tax Rate:	Tax exempt

Name of Dividend	Special
Dividend type:	Cash or scrip
Dividend Amount per share (in cents)	0.1 cent per ordinary share
Tax Rate:	Tax exempt

(c) Date payable

Will be announced at a later date.

(d) Books closure date

Notice of books closure for determining shareholders' entitlement of the proposed dividend will be announced at a later stage.

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

Not applicable.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

	Freight forwarding	Warehousing and logistics	Chemical storage and logistics	Management fees business	Other operations	Eliminations	Total Operations
Operating Segments							
Year ended 30 April 2011	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenues							
External revenue	68,789	22,205	50,223	9,089	3,822	-	154,128
Inter-segment revenue	2,856	5,693	179	-	2	(8,730)	-
Total revenue	<u>71,645</u>	<u>27,898</u>	<u>50,402</u>	<u>9,089</u>	<u>3,824</u>	<u>(8,730)</u>	<u>154,128</u>
Results							
Segment results	5,198	10,707	2,599	6,801	(2,786)	-	22,519
Unallocated corporate costs							(10,075)
Accretion of deferred revenue	-	11,089	-	-	-	-	11,089
Results from operating activities							23,533
Interest income from associates	-	-	-	-	852	-	852
Finance income	29	166	-	-	678	-	873
Finance costs	(1)	(471)	(343)	(14)	(247)	-	(1,076)
Share of profit of associates							1,527
Profit before income tax							25,709
Income tax expense	(1,631)	(2,415)	(247)	(1,006)	(261)	-	(5,560)
Profit for the year	<u>3,595</u>	<u>19,076</u>	<u>2,009</u>	<u>5,781</u>	<u>(1,764)</u>	<u>-</u>	<u>20,149</u>
Other segmental information							
Gain on disposal of property, plant & equipment	1	2,897	36	-	-	-	2,934
Write-back of impairment loss on leasehold properties	-	13,492	496	-	-	-	13,988
Assets and liabilities							
Segment assets	19,961	65,377	29,553	6,517	2,507	-	123,915
Tax recoverable							30
Associates							51,573
Other investments							121,038
Other unallocated assets							6,577
Total assets							<u>303,133</u>
Segment liabilities	6,501	99,872	10,800	1,383	806	-	119,362
Financial liabilities							11,779
Deferred income tax liabilities							204
Income tax liabilities							5,159
Other unallocated liabilities							1,807
Total liabilities							<u>138,311</u>
Capital expenditure	39	13,456	2,816	384	25	-	16,720
Depreciation	219	5,223	2,797	45	189	-	8,473

	Freight forwarding	Warehousing and logistics	Chemical storage and logistics	Management fees business	Other operations	Eliminations	Total Operations
Operating Segments							
Year ended 30 April 2010	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenues							
External revenue	60,446	19,383	41,563	-	4,410	-	125,802
Inter-segment revenue	4,019	5,049	468	-	8	(9,544)	-
Total revenue	64,465	24,432	42,031	-	4,418	(9,544)	125,802
Results							
Segment results	4,543	7,135	3,316	-	2,901	-	17,895
Unallocated corporate costs							(4,872)
Accretion of deferred revenue	-	2,989	-	-	-	-	2,989
Results from operating activities							16,012
Interest income from associates	-	-	-	-	2,471	-	2,471
Finance income	32	397	-	-	147	-	576
Finance costs	(272)	(1,041)	(479)	-	(841)	-	(2,633)
Share of profit of associates							880
Profit before income tax							17,306
Income tax expense	(592)	(1,056)	(154)	-	(336)	-	(2,138)
Profit for the year	3,711	8,424	2,683	-	4,342	-	15,168
Other segmental information							
Gain on fair value of investment properties	-	1,700	-	-	-	-	1,700
(Loss)/ gain on disposal of subsidiaries	(1)	(4)	-	-	3,965	-	3,960
Gain/ (loss) on disposal of property, plant & equipment	8	(22)	234	-	-	-	220
Write-back of impairment loss on leasehold properties	-	3,904	513	-	-	-	4,417
Write-off of receivable from an associate	-	-	-	-	(809)	-	(809)
Assets and liabilities							
Segment assets	18,599	123,104	42,231	-	1,869	-	185,803
Tax recoverable							80
Associates							38,745
Other investments							243
Other unallocated assets							23,593
Total assets							248,464
Segment liabilities	7,416	13,922	15,195	-	1,049	-	37,582
Financial liabilities							57,503
Deferred tax liabilities							511
Income tax liabilities							1,478
Other unallocated liabilities							750
Total liabilities							97,824
Capital expenditure	85	1,607	7,139	-	12	-	8,843
Depreciation	239	3,579	2,129	-	212	-	6,159

Geographical Segment

<u>2011</u>	<u>ASEAN</u> <u>(excluding</u>		<u>Asia</u> <u>S\$'000</u>	<u>America</u> <u>S\$'000</u>	<u>Oceania</u> <u>S\$'000</u>	<u>Europe</u> <u>S\$'000</u>	<u>Middle</u> <u>East</u> <u>S\$'000</u>	<u>Others</u> <u>S\$'000</u>	<u>Group</u> <u>S\$'000</u>
	<u>Singapore</u> <u>S\$'000</u>	<u>Singapore)</u> <u>S\$'000</u>							
Revenue from external customers	68,607	28,345	27,299	6,061	4,596	8,768	6,955	3,497	154,128
Non-current assets*	90,763	3,819	211	-	-	-	46	-	94,839
Capital expenditure	15,403	1,285	32	-	-	-	-	-	16,720
<u>2010</u>									
Revenue from external customers	50,055	26,608	20,649	4,806	3,924	9,242	6,300	4,218	125,802
Non-current assets*	140,023	3,664	618	-	-	-	118	-	144,423
Capital expenditure	7,913	927	1	-	-	-	2	-	8,843

*Excluding convertible loans to an associate, RCCPS in an associate and investment in Sabana REIT units classified as available-for-sale financial assets.

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

See paragraph 8.

15. A breakdown of sales

	Group		
	FY2011 S\$'000	FY2010 S\$'000	Increase/ (Decrease) %
Sales reported for the first half year	72,793	61,338	18.7
Operating profit after tax and before non-controlling interests for the first half year	3,267	1,566	108.6
Sales reported for the second half year	81,335	64,464	26.2
Operating profit after tax and before non-controlling interests for the second half year	16,882	13,602	24.1

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

	FY2011	FY2010
	S\$'000	S\$'000
Ordinary	8,892	7,460

17. Interested Person Transactions

There are no interested person transactions (excluding transaction less than \$100,000) for the financial year ended 30 April 2011.

BY ORDER OF THE BOARD

Eric Khua
Executive Director & CEO
27 June 2011