

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

Unaudited Second Quarter and Half Year Financial Statement Announcement Ended 31 October 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 Income Statement

	The Group			The Group		
	3 months ended 31/10/2011	3 months ended 31/10/2010	Increase/ (Decrease)	6 months ended 31/10/2011	6 months ended 31/10/2010	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	38,949	36,188	7.6	76,147	72,793	4.6
Other income	3,756	431	771.5	4,303	765	462.5
Accretion of deferred revenue	5,607	748	649.6	11,214	1,495	650.1
Freight and related costs	(19,021)	(18,366)	3.6	(36,353)	(37,845)	(3.9)
Rental expenses on operating leases	(8,553)	(4,578)	86.8	(17,610)	(9,001)	95.6
Warehouse upkeep and related costs	(1,855)	(1,831)	1.3	(3,814)	(3,731)	2.2
Exhibition design and build costs	(376)	(787)	(52.2)	(771)	(1,262)	(38.9)
Staff costs	(6,981)	(5,823)	19.9	(13,932)	(11,604)	20.1
Depreciation of property, plant and equipment	(1,274)	(1,747)	(27.1)	(2,621)	(3,482)	(24.7)
Other operating expenses	(2,632)	(3,115)	(15.5)	(6,196)	(4,400)	40.8
Results from operating activities	7,620	1,120	580.4	10,367	3,728	178.1
Finance income	428	130	229.2	770	210	266.7
Finance costs	(149)	(348)	(57.2)	(250)	(772)	(67.6)
Net finance income/(costs)	279	(218)	n.m.	520	(562)	n.m.
Share of profit of associates, net of tax	1,195	372	221.2	2,486	792	213.9
Profit before income tax	9,094	1,274	613.8	13,373	3,958	237.9
Income tax expense	(520)	(347)	49.9	(885)	(691)	28.1
Profit for the period	8,574	927	824.9	12,488	3,267	282.2
Attributable to:						
Owners of the Company	7,777	952	716.9	11,107	3,354	231.2
Non-controlling interests	797	(25)	n.m.	1,381	(87)	n.m.
Profit for the period	8,574	927	824.9	12,488	3,267	282.2

n.m. denotes Not Meaningful

Notes to Income Statement
(a) Additional Disclosure Items

	3 months ended	3 months ended	6 months ended	6 months ended
	31/10/2011	31/10/2010	31/10/2011	31/10/2010
	S\$'000	S\$'000	S\$'000	S\$'000
(Loss)/gain on fair value of marketable securities	(645)	146	(2,336)	34
Fair value loss on foreign currency forward contract	(16)	-	(16)	-
Gain on foreign currency forward contract	474	-	474	-
Interest income on convertible loans to an associate	172	215	338	440
Dividend income from financial assets at fair value through profit or loss	886	52	1,512	85
Dividend income from available-for-sale financial assets	627	-	1,256	-
Gain on disposal of property, plant and equipment	102	29	152	37
Gain on disposal of marketable securities	-	-	13	-
Foreign exchange gain/(loss)	1,473	(1,603)	483	(1,521)
Bad debts recovered	4	2	7	2
Write-off of receivables	(3)	-	(7)	-
Impairment loss on receivables	(1)	(4)	(1)	(4)
Impairment loss on receivables written back	3	3	5	6
Current year tax provision	(520)	(349)	(829)	(665)
Reduction of deferred tax liabilities	-	2	121	4
Under provision for tax in respect of prior years	-	-	(177)	(30)

- (b) Other income increased mainly due to dividend income from Sabana REIT and foreign exchange gain arising from strengthening of US dollar against Singapore dollar.
- (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 decrease in freight and related costs in 1H2012 was in tandem with lower volume and freight rates. In 2Q2012, the increase was due to higher volume of logistics services.
- (e) Rental expense increased mainly due to higher rental of leased properties and increase in JTC land rental rates.
- (f) Exhibition design and build costs were lower as a result of fewer overseas exhibitions, events and interior projects.
- (g) Staff costs increased mainly due to the acquisition of new subsidiaries.
- (h) The decrease in depreciation of property, plant and equipment was mainly due to the completion of the sale of the properties to Sabana REIT in November 2010.
- (i) The increase in other operating expenses for 1H2012 was mainly due to loss on fair value of marketable securities. The decrease in 2Q2012 was due to higher foreign exchange loss incurred in 2Q2011.
- (j) The increase in finance income was mainly due to interest income from high yield corporate bonds.
- (k) Lower finance costs was attributable to the repayment of bank borrowings.
- (l) Share of profits from associates increased mainly due to contributions from the newly acquired associate, China Southwest Energy Corporation Ltd, Hong Kong.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	As at 31/10/2011	As at 30/04/2011	As at 31/10/2011	As at 30/04/2011
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	66,940	64,154	580	340
Intangible assets	1,779	1,454	-	-
Investment property	6,103	-	-	-
Subsidiaries	-	-	14,249	14,249
Associates	53,737	51,573	37,772	37,980
Other investments	27,423	27,161	22	22
Other receivables	68	164	129,432	115,862
	156,050	144,506	182,055	168,453
Current assets				
Trade and other receivables	43,529	36,138	2,226	1,917
Other investments	90,062	93,877	64,484	71,340
Cash and cash equivalents	23,959	28,612	1,759	5,202
	157,550	158,627	68,469	78,459
Total assets	313,600	303,133	250,524	246,912
Equity attributable to owners of the Company				
Share capital	84,467	80,149	84,467	80,149
Other reserves	4,282	6,145	6,716	7,082
Accumulated profits	72,029	69,804	25,659	33,509
	160,778	156,098	116,842	120,740
Non-controlling interests	9,601	8,724	-	-
Total equity	170,379	164,822	116,842	120,740
Non-current liabilities				
Loans & borrowings	9,448	9,118	-	-
Other payables	61,536	72,092	119,910	124,946
Deferred tax liabilities	77	204	4	4
	71,061	81,414	119,914	124,950
Current liabilities				
Trade and other payables	49,309	49,077	1,065	894
Loans & borrowings	19,618	2,661	12,393	10
Current tax payables	3,233	5,159	310	318
	72,160	56,897	13,768	1,222
Total liabilities	143,221	138,311	133,682	126,172
Total equity and liabilities	313,600	303,133	250,524	246,912

Notes on the statement of financial position

- a) Increase in property, plant and equipment is due mainly to additions of work-in-progress relating to the construction of warehouse project at Jurong Island and purchase of ISO tanks and prime movers.
- b) Increase in intangible asset was attributed to goodwill arising from the acquisition of 100% equity interest in San Lu Logistics Co., Ltd in September 2011.
- c) The investment property consists of a bonded warehouse owned by San Lu Logistics Co., Ltd located within the bonded logistics park in Jiangyin, Republic of China.
- d) Investment in associates increased mainly due to share of profit of associates, China Southwest Energy Corporation Ltd and Freight Management Sdn Bhd.
- e) Non-current other investments increased due to management fees received in Sabana REIT units classified as available-for-sale.
- f) At Company level, increase in non-current other receivables was due to loans extended to subsidiaries for the acquisition of subsidiary, repayment of debts, deposit for purchase of ISO tanks and quoted equity shares.
- g) Trade and other receivables increased due to loan to an associate in Dubai and a related company in Jiangyin, China.
- h) Decrease in current other investments was mainly due to loss in fair value of marketable securities and sale of corporate bonds.
- i) Cash and cash equivalents decreased due to dividend payouts to shareholders, purchase of fixed assets, quoted investment and loan to an associate in Dubai.
- j) Increase in share capital was due to the scrip dividend of 78,507,355 new shares allotted to shareholders.
- k) Decrease in other reserves was due to fair value loss on available-for-sale financial assets and share buy-back.
- l) Non-controlling interests increased mainly due to net profit arising from 51% subsidiaries in the chemical logistics business and management fee business.
- m) Loans and borrowings increased due to bank borrowings and hire purchase financing of new prime movers.
- n) At Group level, non-current other payables decreased due to accretion of deferred revenue related to the excess of sales proceeds over fair values of the properties disposed through sale and leaseback transactions to profit & loss. At Company level, non-current other payables decreased due to repayment of loans from subsidiaries for payment of warehouse lease rental to Sabana REIT.
- o) Deferred tax liabilities decreased due to adjustment for prior year under-provision of deferred tax assets. This was in respect of deductible temporary differences pertaining to property, plant & equipment.

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

Amount repayable in one year or less, or on demand

	As at 31/10/2011		As at 30/04/2011	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	18,257	-	1,448	-
Finance lease liabilities	1,361	-	1,213	-
Total	19,618	-	2,661	-

Amount repayable after one year

	As at 31/10/2011		As at 30/04/2011	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	7,172	-	7,430	-
Finance lease liabilities	2,276	-	1,688	-
Total	9,448	-	9,118	-

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 leasehold properties. The finance lease liabilities are secured by the assets under finance leases.

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

Consolidated Cash Flow Statement

	<u>3 months</u> <u>ended</u> <u>31/10/2011</u> <u>S\$'000</u>	<u>3 months</u> <u>ended</u> <u>31/10/2010</u> <u>S\$'000</u>	<u>6 months</u> <u>ended</u> <u>31/10/2011</u> <u>S\$'000</u>	<u>6 months</u> <u>ended</u> <u>31/10/2010</u> <u>S\$'000</u>
Operating activities				
Profit before income tax	9,094	1,274	13,373	3,958
Adjustments for:				
Depreciation of property, plant and equipment	1,274	1,747	2,621	3,482
Gain on disposal of property, plant & equipment	(102)	(29)	(152)	(37)
Loss/(gain) on fair value of marketable securities	645	(146)	2,336	(34)
Fair value loss on foreign currency forward contract	16	-	16	-
Gain on disposal of marketable securities	-	-	(13)	-
Share of profit of associates	(1,195)	(372)	(2,486)	(792)
Accretion of deferred revenue	(5,607)	(748)	(11,214)	(1,495)
Dividend income from financial assets at fair value through profit or loss	(886)	(52)	(1,512)	(85)
Dividend income from available-for-sale financial assets	(627)	-	(1,256)	-
REIT management fee received/receivable in units	(965)	-	(1,849)	-
Finance costs	149	348	250	772
Finance income	(428)	(130)	(770)	(210)
Interest income on convertible loans to an associate	(172)	(215)	(338)	(440)
Foreign exchange (gain)/loss	(1,230)	1,385	(351)	1,297
	(34)	3,062	(1,345)	6,416
Changes in working capital:				
Trade and other receivables	1,030	(4,940)	(1,224)	(5,958)
Trade and other payables	(3,255)	2,233	(1,821)	3,715
Cash (used in)/generated from operations	(2,259)	355	(4,390)	4,173
Income taxes paid	(1,871)	(479)	(2,916)	(845)
Cash flow (used in)/from operating activities	(4,130)	(124)	(7,306)	3,328
Investing activities				
Proceeds from sale of property, plant and equipment	302	34	499	42
Purchase of property, plant and equipment	(3,577)	(1,423)	(5,260)	(6,775)
Acquisition of subsidiaries, net of cash acquired	(2,720)	(1,289)	(2,720)	(1,289)
Repayment of loan by a related party	105	-	105	-
Redemption of convertible loan to an associate	-	-	266	-
Dividends received				
- financial assets at fair value through profit or loss	448	52	1,074	85
- available-for-sale financial assets	638	-	1,499	-
- an associate	5	-	191	195
Purchase of other investments	-	(11,385)	(3,015)	(12,007)
Proceeds from sale of other investments	-	-	5,135	-
Finance income received	130	26	710	41
Loan to associates	-	-	(1,827)	-
Loan to related parties	(3,920)	(234)	(4,025)	(234)
Cash flow used in investing activities	(8,589)	(14,219)	(7,368)	(19,942)
Financing activities				
Purchase of treasury shares	(366)	-	(366)	-
Proceeds from borrowings	16,513	-	16,513	5,600
Repayment of loan to a director	-	(300)	-	(300)
Repayment of loan to a related party	-	-	(13)	-
Repayment of borrowings	(127)	(1,855)	(254)	(3,533)
Payment of finance lease liabilities	(427)	(374)	(778)	(762)
Dividend paid to shareholders of the Company	(4,564)	(2,427)	(4,564)	(2,427)
Dividend paid to minority interests of subsidiaries	(490)	-	(490)	-
Finance costs paid	(187)	(232)	(291)	(630)
Cash flows from/(used in) financing activities	10,352	(5,188)	9,757	(2,052)

Consolidated Cash Flow Statement (continued)

	<u>3 months</u> <u>ended</u> <u>31/10/2011</u> S\$'000	<u>3 months</u> <u>ended</u> <u>31/10/2010</u> S\$'000	<u>6 months</u> <u>ended</u> <u>31/10/2011</u> S\$'000	<u>6 months</u> <u>ended</u> <u>31/10/2010</u> S\$'000
Net decrease in cash and cash equivalents	(2,367)	(19,531)	(4,917)	(18,666)
Cash and cash equivalents at beginning of period	25,168	38,823	27,670	37,965
Effect of exchange rate fluctuations on cash held	(79)	56	(31)	49
Cash and cash equivalents at end of period	<u>22,722</u>	<u>19,348</u>	<u>22,722</u>	<u>19,348</u>

Cash and cash equivalents comprise the following:

Cash at bank and in hand	16,750	15,908	16,750	15,908
Deposits with banks	7,209	4,080	7,209	4,080
Cash and cash equivalents	<u>23,959</u>	<u>19,988</u>	<u>23,959</u>	<u>19,988</u>
Bank overdrafts	(1,237)	(640)	(1,237)	(640)
Cash and cash equivalents in the cash flow statement	<u>22,722</u>	<u>19,348</u>	<u>22,722</u>	<u>19,348</u>

The deficit in cash from operating activities arises mainly due to accretion of deferred revenue, a non-cash item (see page 2c), increase in trade and other receivables (see page 4g) and higher taxes paid.

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 second quarter and half year ended 31 October 2011

	The Group			The Group		
	3 months ended 31/10/2011 S'\$000	3 months ended 31/10/2010 S'\$000	Increase/ (Decrease) %	6 months ended 31/10/2011 S'\$000	6 months ended 31/10/2010 S'\$000	Increase/ (Decrease) %
Profit for the period	8,574	927	824.9	12,488	3,267	282.2
Other comprehensive income						
Fair value changes on available-for-sale financial assets	(1,881)	-	n.m.	(1,572)	-	n.m.
Foreign currency translation differences for foreign operations	80	119	(32.8)	61	132	(53.8)
Other comprehensive income, net of tax	(1,801)	119	(1,613.4)	(1,511)	132	(1,244.7)
Total comprehensive income	<u>6,773</u>	<u>1,046</u>	<u>547.5</u>	<u>10,977</u>	<u>3,399</u>	<u>222.9</u>
Total comprehensive income attributable to:						
Owners of the Company	6,004	1,008	495.6	9,610	3,418	181.2
Non-controlling interests	769	38	1,923.7	1,367	(19)	n.m.
	<u>6,773</u>	<u>1,046</u>	<u>547.5</u>	<u>10,977</u>	<u>3,399</u>	<u>222.9</u>

n.m. denotes Not Meaningful

1(d)(i)(b) Statement of Changes in Equity
For the period ended 31 October 2011

The Group	Share capital S\$'000	Treasury shares 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 2011	80,149	-	7,082	(2,949)	2,012	69,804	156,098	8,724	164,822
Total comprehensive income for the period									
Profit for the period for the period	-	-	-	-	-	3,330	3,330	584	3,914
Other comprehensive income									
Fair value changes on available-for-sale financial assets	-	-	-	290	-	-	290	19	309
Foreign currency translation differences	-	-	-	-	(14)	-	(14)	(5)	(19)
Total other comprehensive income	-	-	-	290	(14)	-	276	14	290
Total comprehensive income for the period	-	-	-	290	(14)	3,330	3,606	598	4,204
Balance at 31 July 2011	80,149	-	7,082	(2,659)	1,998	73,134	159,704	9,322	169,026
Total comprehensive income for the period									
Profit for the period for the period	-	-	-	-	-	7,777	7,777	797	8,574
Other comprehensive income									
Fair value changes on available-for-sale financial assets	-	-	-	(1,819)	-	-	(1,819)	(62)	(1,881)
Foreign currency translation differences	-	-	-	-	46	-	46	34	80
Total other comprehensive income	-	-	-	(1,819)	46	-	(1,773)	(28)	(1,801)
Total comprehensive income for the period	-	-	-	(1,819)	46	7,777	6,004	769	6,773
Transactions with owners of the Company, recognised directly in equity									
Contributions by and distributions to owners of the Company									
Dividends relating to 2011 paid	-	-	-	-	-	(8,882)	(8,882)	-	(8,882)
Issue of new shares	4,318	-	-	-	-	-	4,318	-	4,318
Purchase of treasury shares	-	(366)	-	-	-	-	(366)	-	(366)
Total contributions by and distributions to owners of the Company	4,318	(366)	-	-	-	(8,882)	(4,930)	-	(4,930)
Changes in ownership interests in subsidiaries									
Dividends paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	(490)	(490)
Balance at 31 October 2011	84,467	(366)	7,082	(4,478)	2,044	72,029	160,778	9,601	170,379

The Group	Share capital S\$'000	Treasury shares 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 period									
Profit for the period for the period	-	-	-	-	-	2,402	2,402	(62)	2,340
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	8	-	8	5	13
Total other comprehensive income	-	-	-	-	8	-	8	5	13
Total comprehensive income for the period	-	-	-	-	8	2,402	2,410	(57)	2,353
Balance at 31 July 2010	75,116	-	7,082	-	2,112	63,380	147,690	5,303	152,993
Total comprehensive income for the period									
Profit for the period for the period	-	-	-	-	-	952	952	(25)	927
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	56	-	56	63	119
Total other comprehensive income	-	-	-	-	56	-	56	63	119
Total comprehensive income for the period	-	-	-	-	56	952	1,008	38	1,046
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									
Acquisitions of non-controlling interests	-	-	-	-	-	-	-	(433)	(433)
Balance as at 31 October 2011	80,149	-	7,082	-	2,168	56,872	146,271	4,908	151,179

<u>The Company</u>	<u>Share capital</u> S\$'000	<u>Treasury shares</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 2011	80,149	-	7,082	33,509	120,740
Total comprehensive income					
Loss for the period	-	-	-	(63)	(63)
Balance at 31 July 2011	80,149	-	7,082	33,446	120,677
Total comprehensive income					
Profit for the period	-	-	-	1,095	1,095
Transactions with owners of the Company, recognised directly in equity					
Contributions by and distributions to owners of the Company					
Dividends relating to 2011 paid	-	-	-	(8,882)	(8,882)
Issue of new shares	4,318	-	-	-	4,318
Purchase of treasury shares	-	(366)	-	-	(366)
Total contributions by and distributions to owners of the Company	4,318	(366)	-	(8,882)	(4,930)
Balance at 31 October 2011	84,467	(366)	7,082	25,659	116,842
Balance at 1 May 2010	75,116	-	7,082	27,299	109,497
Total comprehensive income					
Profit for the period	-	-	-	397	397
Balance at 31 July 2010	75,116	-	7,082	27,696	109,894
Total comprehensive income					
Loss for the period	-	-	-	(1,295)	(1,295)
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 31 October 2010	80,149	-	7,082	18,941	106,172

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

	Number of ordinary shares		Amount	
	Share capital	Treasury Shares	Share capital S\$'000	Treasury shares S\$'000
As at 1 August 2011	2,223,000,782	-	80,149	-
Scrip dividend	78,507,355	-	4,318	-
Purchase of treasury shares	-	(6,678,000)	-	(366)
As at 31 October 2011	2,301,508,137	(6,678,000)	84,467	(366)

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.

	<u>As at 31/10/11</u>	<u>As at 30/04/11</u>
Total number of issued shares (excluding treasury shares)	2,294,830,137	2,223,000,782

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.

None.

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 period compared with the audited financial statements for the financial year ended 30 April 2011.

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 2011. 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

<u>Earnings per ordinary share</u>	3 months ended 31/10/11	3 months ended 31/10/10
(a) Based on the weighted average number of ordinary shares on issue	0.35 cent	0.04 cent
(b) On a fully diluted basis	0.35 cent	0.04 cent

The basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 2,229,484,828 (31 October 2010: 2,141,439,396).

The fully diluted earnings per share is calculated based on the weighted average number of ordinary shares of 2,229,484,828 (31 October 2010: 2,141,439,396).

Earnings per ordinary share

(a) Based on the weighted average number of ordinary shares on issue

0.50 cent

0.16 cent

(b) On a fully diluted basis

0.50 cent

0.16 cent

	6 months ended 31/10/11	6 months ended 31/10/10
(a) Based on the weighted average number of ordinary shares on issue	0.50 cent	0.16 cent
(b) On a fully diluted basis	0.50 cent	0.16 cent

The basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 2,226,242,805 (31 October 2010: 2,136,466,140).

The fully diluted earnings per share is calculated based on the weighted average number of ordinary shares of 2,226,242,805 (31 October 2010: 2,136,466,140).

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

	As at 31/10/2011 Cents	As at 30/04/2011 Cents
Net assets value per ordinary share		
The Group	7.01	7.02
The Company	5.09	5.43

Net asset value per share is calculated based on 2,294,830,137 (30 April 2011: 2,223,000,782) ordinary shares (excluding treasury shares) in issue at the end of the financial period 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

Compared with previous corresponding quarter 2Q2011, Group net profit after tax and non-controlling interests for 2Q2012 grew by \$6.8 million (716.9%) to \$7.78 million. Group revenue increased by \$2.8 million (7.6%) from \$36.2 million to \$38.9 million in 2Q2012.

	2Q2012	2Q2011	+ / (-)	+ / (-)
	S\$'million	S\$'million	S\$'million	%
Freight forwarding	16.3	17.5	(1.2)	(6.9)
Warehousing and logistics	7.3	5.5	1.8	32.7
Chemical storage and logistics	13.2	12.0	1.2	10.0
Management fees business	1.5	-	n.m.	n.m.
Other logistics (Document archiver & Exhibition design and build)	0.6	1.2	(0.6)	(50.0)
Group Revenue	38.9	36.2	2.7	7.6

For the first half year 1H2012, Group net profit after tax and non-controlling interests grew by \$7.8 million (231.2%) to \$11.1 million. Group revenue increased by \$3.4 million (4.6%) from \$72.8 million to \$76.1 million in 1H2012. As a result, earnings per share rose by 212.5% to 0.50 cent from 0.16 cent in the previous corresponding half year.

	1H2012	1H2011	+ / (-)	+ / (-)
	S\$'million	S\$'million	S\$'million	%
Freight forwarding	31.7	36.0	(4.3)	(11.9)
Warehousing and logistics	13.4	10.7	2.7	25.2
Chemical storage and logistics	26.8	24.1	2.7	11.2
Management fees business	3.0	-	n.m.	n.m.
Other logistics (Document archiver & Exhibition design and build)	1.2	2.0	(0.8)	(40.0)
Group Revenue	76.1	72.8	3.3	4.6

The higher revenue was attributed mainly to the new management fees business, and higher storage and transportation income. The increase in revenue was offset by lower freight forwarding business and fewer exhibition projects due to slowdown in the global economy.

The increase in net profit was mainly attributable to higher dividend income, foreign exchange gains, contributions from the management fees business, excess of accretion of deferred revenue over lease payments on the sale and leaseback of the properties and higher share of profits of associated companies. These increases were partially offset by loss on fair value of marketable securities.

Income tax expense increased as compared to the previous corresponding period, in line with the increase in taxable profits.

Cash Flows

As at 31 October 2011, the Group has cash and cash equivalents of \$24.0 million, and net gearing of 0.03 times.

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 1st quarter FY2012 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 global economic outlook remains uncertain. The Group will continue to monitor its business units and the economic developments in order to further enhance our operational efficiencies. The Group will also explore leveraging on the Group's financial strength and maintaining sufficient flexibility so that it is able to react or adapt to any major changes in the business environment.

Construction of the Group's new integrated chemical logistics hub on Jurong Island is progressing on schedule. The project, when completed, will comprise of a 6-storey warehouse with ramp access to each floor. This new chemical logistics hub will be developed in phases with final completion anticipated in September 2013. The revised project development cost is estimated at about \$145.0 million with a total gross floor area of approximately 64,596 square metres. The project when completed will add considerably to the Group's chemical logistics capability and enhances its presence in this business area.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

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

13. Interested Person Transactions

There are no interested person transactions (excluding transaction less than \$100,000) for the first half financial year ended 31 October 2011.

14. Confirmation pursuant to the SGX Listing Rule 705 (4) of the Listing Manual

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results for the period ended 31 October 2011 to be false or misleading in any material respect.

BY ORDER OF THE BOARD
Freight links Express Holdings Limited

Eric Khua
Executive Director & CEO
9 December 2011