

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

Unaudited Third Quarter Financial Statement Announcement Ended 31 January 2010

**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			The Group		
	3 months ended 31/01/2010	3 months ended 31/01/2009	Increase/ (Decrease)	9 months ended 31/01/2010	9 months ended 31/01/2009	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	31,327	31,947	(1.9)	92,665	106,641	(13.1)
Other income	1,688	404	317.8	4,215	3,309	27.4
Accretion of deferred revenue	747	747	-	2,242	2,242	-
Freight and related costs	(16,608)	(16,106)	3.1	(47,537)	(58,711)	(19.0)
Rental expenses on operating leases	(3,781)	(3,663)	3.2	(11,149)	(11,097)	0.5
Warehouse upkeep and related costs	(1,821)	(1,214)	50.0	(3,875)	(3,508)	10.5
Exhibition design and build costs	(466)	(1,060)	(56.0)	(1,762)	(3,064)	(42.5)
Staff costs	(4,708)	(5,228)	(9.9)	(15,583)	(16,556)	(5.9)
Depreciation of property, plant and equipment	(1,550)	(1,613)	(3.9)	(4,502)	(4,226)	6.5
Other expenses	(940)	(2,035)	(53.8)	(8,481)	(7,464)	13.6
<b>Results from operating activities</b>	<b>3,888</b>	<b>2,179</b>	<b>78.4</b>	<b>6,233</b>	<b>7,566</b>	<b>(17.6)</b>
Finance income	354	542	(34.7)	1,351	1,243	8.7
Finance expense	(630)	(1,331)	(52.7)	(2,033)	(3,917)	(48.1)
<b>Net finance costs</b>	<b>(276)</b>	<b>(789)</b>	<b>(65.0)</b>	<b>(682)</b>	<b>(2,674)</b>	<b>(74.5)</b>
Share of profit of associates, net of tax	369	285	29.5	597	889	(32.8)
<b>Profit before income tax</b>	<b>3,981</b>	<b>1,675</b>	<b>137.7</b>	<b>6,148</b>	<b>5,781</b>	<b>6.3</b>
Income tax expense	(583)	(891)	(34.6)	(1,184)	(1,898)	(37.6)
<b>Profit for the period</b>	<b>3,398</b>	<b>784</b>	<b>333.4</b>	<b>4,964</b>	<b>3,883</b>	<b>27.8</b>
<b>Attributable to:</b>						
Equity holders of the Company	3,277	1,060	209.2	4,561	4,760	(4.2)
Minority interests	121	(276)	n.m.	403	(877)	n.m.
<b>Profit for the period</b>	<b>3,398</b>	<b>784</b>	<b>333.4</b>	<b>4,964</b>	<b>3,883</b>	<b>27.8</b>

N.M. denotes Not Meaningful

**Notes to Income Statement**  
**Additional Disclosure Items**

	3 months ended 31/01/2010	3 months ended 31/01/2009	9 months ended 31/01/2010	9 months ended 31/01/2009
	S\$'000	S\$'000	S\$'000	S\$'000
Gain on fair value of interest rate swaps	33	125	125	764
Gain/(loss) on fair value of marketable securities	(14)	1	468	(1,178)
Loss on fair value of embedded option of investment in an associate	-	(1,621)	-	(4,183)
Interest income on convertible loans to associates	620	687	1,861	2,071
Interest income on redeemable cumulative convertible preference shares in an associate	-	389	-	1,112
Dividends received	3	5	6	10
Gain on disposal of property, plant and equipment	32	24	227	222
Gain on disposal of marketable securities	-	-	26	-
Gain on disposal of subsidiary	747	-	747	-
Allowance for doubtful trade receivables	1	(530)	2	(530)
Property, plant and equipment written off	-	-	-	(2,000)
Foreign exchange gain/(loss)	363	741	(3,427)	4,189
Allowance for doubtful loan receivable from an associate	-	-	(809)	-
Accretion of deferred revenue	747	747	2,242	2,242
Current year tax provision	(590)	(841)	(1,091)	(1,789)
Provision of deferred tax liabilities	(50)	(50)	(150)	(336)
Over provision for tax in respect of prior years	57	-	57	227

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

Balance Sheet as at 31 January 2010

	Group		Company	
	As at 31/01/2010	As at 30/04/2009	As at 31/01/2010	As at 30/04/2009
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	104,693	99,735	446	515
Intangible assets	982	982	-	-
Investment properties	24,000	24,000	-	-
Subsidiaries	-	-	12,317	19,030
Associates	51,393	51,862	38,732	41,166
Club membership	50	50	22	22
Other receivables	13,573	16,687	76,093	65,602
Deferred tax assets	247	396	-	-
	194,938	193,712	127,610	126,335
<b>Current assets</b>				
Trade and other receivables	49,588	52,575	25,403	27,790
Other investments	152	531	-	-
Cash and cash equivalents	20,824	33,863	2,241	9,456
	70,564	86,969	27,644	37,246
<b>Total assets</b>	<b>265,502</b>	<b>280,681</b>	<b>155,254</b>	<b>163,581</b>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	75,116	74,216	75,116	74,216
Other reserves	9,459	8,415	7,082	7,082
Accumulated profits	51,688	47,127	19,936	19,155
	136,263	129,758	102,134	100,453
<b>Minority interests</b>	9,081	11,406	-	-
<b>Total equity</b>	<b>145,344</b>	<b>141,164</b>	<b>102,134</b>	<b>100,453</b>
<b>Non-current liabilities</b>				
Financial liabilities	51,004	58,243	15,104	16,902
Other payables	6,176	8,961	30,986	30,013
Deferred tax liabilities	-	-	4	4
	57,180	67,204	46,094	46,919
<b>Current liabilities</b>				
Trade and other payables	38,153	46,911	1,743	10,374
Financial liabilities	23,377	23,370	5,002	4,707
Current tax payables	1,448	2,032	281	1,128
	62,978	72,313	7,026	16,209
<b>Total liabilities</b>	<b>120,158</b>	<b>139,517</b>	<b>53,120</b>	<b>63,128</b>
<b>Total equity and liabilities</b>	<b>265,502</b>	<b>280,681</b>	<b>155,254</b>	<b>163,581</b>

## Notes on the Balance Sheets

- a) The increase in property, plant and equipment was accounted for mainly by capital expenditure on warehouse facilities less depreciation..
- b) The decrease in subsidiaries was largely due to the disposal of our Australian subsidiaries.
- c) Investment in associates decreased due to foreign exchange loss on investment in PRC associates.
- d) The decrease in non-current other receivables was due to partial repayment of loan from a related party and allowance for doubtful loan receivable from an associate in China. At Company level, the increase in other receivables was due to funds extended to a subsidiary for the construction of a warehouse and additional investment in an associate in Korea.
- e) The decrease in other investments was due to disposal of marketable securities.
- f) The decrease in cash and cash equivalents was mainly due to internal funding for the construction of warehouse and prepayment of proposed investment in Citic Logistics Co., Ltd.
- g) The other payables under non-current liabilities decreased due to accretion of deferred revenue and repayment of related party loan.
- h) The decrease in financial liabilities was mainly due to repayment of bank borrowings.
- i) The decrease in trade and other payables was mainly due to progress payments for the warehouse construction costs and prepayment of proposed investment in Citic Logistics Co., Ltd.

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

**Amount repayable in one year or less, or on demand**

	As at 31/01/2010		As at 30/04/2009	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	22,261	-	22,244	-
Finance lease liabilities	1,116	-	1,126	-
Total	23,377	-	23,370	-

**Amount repayable after one year**

	As at 31/01/2010		As at 30/04/2009	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	48,756	-	56,392	-
Finance lease liabilities	2,248	-	1,851	-
Total	51,004	-	58,243	-

**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

<b><u>Consolidated Cash Flow Statement</u></b>	<b><u>3 months ended</u></b> <b><u>31/01/2010</u></b>	<b><u>3 months ended</u></b> <b><u>31/01/2009</u></b>	<b><u>9 months ended</u></b> <b><u>31/01/2010</u></b>	<b><u>9 months ended</u></b> <b><u>31/01/2009</u></b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>				
Profit before income tax	3,981	1,675	6,148	5,781
Adjustments for:				
Allowance of doubtful trade receivables	1	530	2	530
Depreciation of property, plant and equipment	1,550	1,613	4,502	4,226
Property, plant and equipment written off	-	-	-	2,000
Allowance of doubtful loan receivable	-	-	809	-
Gain on disposal of property, plant & equipment	(32)	(24)	(227)	(222)
(Gain)/ loss on financial assets at fair value through profit or loss (net):				
- marketable securities	14	(1)	(468)	1,178
- derivative contracts	(33)	(125)	(125)	(764)
Gain on sale of short term investments	-	-	(26)	-
Gain on disposal of subsidiary	(747)	-	(747)	-
Loss on fair value of embedded option of investment in an associate	-	1,621	-	4,183
Share of profit of associates	(369)	(285)	(597)	(889)
Accretion of deferred revenue	(747)	(747)	(2,242)	(2,242)
Dividend income	(3)	(5)	(6)	(10)
Foreign exchange (gain)/ loss	(363)	(741)	3,427	(4,189)
Finance costs	630	1,331	2,033	3,917
Finance income	(354)	(542)	(1,351)	(1,243)
Interest income on:				
-convertible loans to associates	(620)	(687)	(1,861)	(2,071)
-redeemable cumulative convertible preference shares in an associate	-	(389)	-	(1,112)
	<u>2,908</u>	<u>3,224</u>	<u>9,271</u>	<u>9,073</u>
Changes in working capital:				
Trade and other receivables	3,144	(4)	3,397	10,292
Trade and other payables	(3,398)	1,005	(2,535)	(3,611)
Foreign currency translation	1,654	1,117	1,821	(310)
Cash generated from operations	<u>4,308</u>	<u>5,342</u>	<u>11,954</u>	<u>15,444</u>
Income taxes refunded	59	478	256	598
Income taxes paid	(378)	(883)	(984)	(1,477)
<b>Cash flow from operating activities</b>	<u>3,989</u>	<u>4,937</u>	<u>11,226</u>	<u>14,565</u>
<b>Investing activities</b>				
Proceeds from sale of property, plant and equipment	70	38	280	1,414
Purchase of property, plant and equipment	(1,639)	(717)	(7,914)	(6,008)
Disposal/ (Acquisition) of shares in associates	-	45	(1,138)	(51)
Acquisition of subsidiaries, net of cash acquired	-	-	-	116
Prepayment of proposed investment	-	(3,682)	(5,697)	(26,134)
Proceeds from sale of other investments	-	-	873	-
Proceeds from disposal of subsidiary, net of cash disposed	(2,117)	-	(2,117)	-
Purchase of other investments	-	-	-	(13)
Dividends income	191	199	343	352
Loan to an associate	-	-	-	(700)
Finance income	(34)	179	189	775
Repayment of loan by a related party	-	-	2,110	-
Interest income on convertible loans to associates	-	652	-	5,852
Redemption of convertible loan to associate	-	1,029	-	1,029
<b>Cash flow from investing activities</b>	<u>(3,529)</u>	<u>(2,257)</u>	<u>(13,071)</u>	<u>(23,368)</u>
<b>Financing activities</b>				
Proceeds from issue of shares	-	-	900	-
Proceeds from exercise of warrants	-	5	-	395
Proceeds from borrowings	-	451	1,000	11,080
Repayment of borrowings	(4,287)	(865)	(8,547)	(3,773)
Repayment of loan to a related party	(174)	-	(517)	-
Repayment of loan to director	(942)	-	(942)	-
Payment of finance lease liabilities	(299)	93	(950)	(937)

<u>Consolidated Cash Flow Statement (continued)</u>	<u>3 months ended</u>	<u>3 months ended</u>	<u>9 months ended</u>	<u>9 months ended</u>
	<u>31/01/2010</u>	<u>31/01/2009</u>	<u>31/01/2010</u>	<u>31/01/2009</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Dividend paid to shareholders	-	-	-	(5,277)
Dividend paid to minority interests	(80)	-	(175)	(74)
Finance costs	(752)	(532)	(1,953)	(1,454)
<b>Cash flows from financing activities</b>	<b>(6,534)</b>	<b>(848)</b>	<b>(11,184)</b>	<b>(40)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(6,074)</b>	<b>1,832</b>	<b>(13,029)</b>	<b>(8,843)</b>
Cash and cash equivalents at beginning of period	28,463	29,304	33,807	42,106
Effect of exchange rate fluctuations on cash held	(1,694)	147	(83)	(1,980)
<b>Cash and cash equivalents at end of period</b>	<b>20,695</b>	<b>31,283</b>	<b>20,695</b>	<b>31,283</b>
<b>Cash and cash equivalents comprise the following:</b>				
Cash at bank and in hand	16,011	19,411	16,011	19,411
Deposits with banks	4,813	11,872	4,813	11,872
Cash and cash equivalents	20,824	31,283	20,824	31,283
Bank overdrafts	(129)	-	(129)	-
<b>Cash and cash equivalents in the cash flow statement</b>	<b>20,695</b>	<b>31,283</b>	<b>20,695</b>	<b>31,283</b>

**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 third quarter ended 31 January 2010**

The Statement of Comprehensive Income included as part of the results announcement is in compliance with the revised Financial Reporting Standard (FRS) 1 (effective from 1 January 2009)

	<b>The Group</b>			<b>The Group</b>		
	<b>3 months ended 31/01/10 S'\$000</b>	<b>3 months ended 31/01/09 S'\$000</b>	<b>Increase/ (Decrease) %</b>	<b>9 months ended 31/01/10 S'\$000</b>	<b>9 months ended 31/01/09 S'\$000</b>	<b>Increase/ (Decrease) %</b>
<b>Net profit for the quarter</b>	3,398	784	333.4	4,964	3,883	27.8
<b>Other comprehensive income</b>						
Foreign currency translation	(452)	169	n.m.	765	(1,232)	n.m.
<b>Total comprehensive income</b>	<b>2,946</b>	<b>953</b>	<b>209.1</b>	<b>5,729</b>	<b>2,651</b>	<b>116.1</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	3,202	1,128	183.9	5,605	3,401	64.8
Minority interests	(256)	(175)	46.3	124	(750)	n.m.
	<b>2,946</b>	<b>953</b>	<b>209.1</b>	<b>5,729</b>	<b>2,651</b>	<b>116.1</b>

N.M. denotes Not Meaningful

**1(d)(i)(b) Statement of Changes in Equity**  
**For the period ended 31 January 2010**

<u>The Group</u>	<u>Share capital</u> S\$'000	<u>Capital 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>Minority interests</u> S\$'000	<u>Total equity</u> S\$'000
<b>Balance at 1 May 2009</b>	74,216	7,082	1,333	47,127	129,758	11,406	141,164
Total comprehensive income	-	-	1,119	1,284	2,403	380	2,783
Issue of new shares	900	-	-	-	900	-	900
Dividend relating to 2009 paid	-	-	-	-	-	(95)	(95)
<b>Balance at 31 October 2009</b>	75,116	7,082	2,452	48,411	133,061	11,691	144,752
Total comprehensive income	-	-	(75)	3,277	3,202	(256)	2,946
Dividends relating to 2009 paid	-	-	-	-	-	(80)	(80)
Disposal of minority interests	-	-	-	-	-	(2,274)	(2,274)
<b>Balance at 31 January 2010</b>	75,116	7,082	2,377	51,688	136,263	9,081	145,344
<b>Balance at 1 May 2008</b>	73,705	7,167	2,157	43,620	126,649	11,204	137,853
Total comprehensive income	-	-	(1,427)	3,700	2,273	(575)	1,698
Exercise of warrants	78	(78)	-	-	-	-	-
Issue of new shares	390	-	-	-	390	-	390
2008 one-tier first and final dividend paid of 0.25 cents per share	-	-	-	(5,277)	(5,277)	(74)	(5,351)
Acquisition of minority interest	-	-	-	-	-	59	59
<b>Balance at 31 October 2008</b>	74,173	7,089	730	42,043	124,035	10,614	134,649
Total comprehensive income	-	-	68	1,060	1,128	(175)	953
Exercise of warrants	1	(1)	-	-	-	-	-
Issue of new shares	5	-	-	-	5	-	5
<b>Balance at 31 January 2009</b>	74,179	7,088	798	43,103	125,168	10,439	135,607



<u>The Company</u>	<u>Share capital</u> S\$'000	<u>Capital reserve</u> S\$'000	<u>Accumulated Profits</u> S\$'000	<u>Total equity</u> S\$'000
<b>Balance at 1 May 2009</b>	74,216	7,082	19,155	100,453
Total comprehensive income	-	-	(1,525)	(1,525)
Issue of new shares	900	-	-	900
<b>Balance at 31 October 2009</b>	75,116	7,082	17,630	99,828
Total comprehensive income	-	-	2,306	2,306
<b>Balance at 31 January 2010</b>	75,116	7,082	19,936	102,134
<b>Balance at 1 May 2008</b>	73,705	7,167	20,757	101,629
Total comprehensive income	-	-	4	4
Exercise of warrants	78	(78)	-	-
Issue of new shares	390	-	-	390
2008 one-tier first and final dividend paid of 0.25 cents per share	-	-	(5,277)	(5,277)
<b>Balance at 31 October 2008</b>	74,173	7,089	15,484	96,746
Total comprehensive income	-	-	2,122	2,122
Exercise of warrants	1	(1)	-	-
Issue of new shares	5	-	-	5
<b>Balance at 31 January 2009</b>	74,179	7,088	17,606	98,873

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 November 2009	2,131,492,885	75,116
Issue of new shares	-	-
As at 31 January 2010	2,131,492,885	75,116

**The number of outstanding warrants is as follows: -**

	<u>As at 31/01/2010</u>	<u>As at 31/01/2009</u>
Warrants	-	759,481,291

**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 31 January 2010.

**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 period compared with the audited financial statements for the financial year ended 30 April 2009.

**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**

With effect from 1 May 2009, the Group adopted the following new/revised Financial Reporting Standards (FRS), which are relevant to the Group:

FRS 1 (revised 2008)	Presentation of Financial Statements
FRS 23 (revised 2007)	Borrowing Costs
FRS 108	Operating Segments

The adoption of the above FRS does not have any significant impact on the financial statements.

**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**

	<b>3 months ended 31/01/10</b>	<b>3 months ended 31/01/09</b>
<b><u>Earnings per ordinary share</u></b>		
(a) Based on the weighted average number of ordinary shares on issue	0.154 cent	0.050 cent
(b) On a fully diluted basis	0.154 cent	0.050 cent

The basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 2,131,492,885 (31 January 2009: 2,110,775,559).

The fully diluted earnings per share is calculated based on the weighted average number of ordinary shares of 2,131,492,885 (31 January 2009: 2,110,775,559).

	9 months ended 31/01/10	9 months ended 31/01/09
<b><u>Earnings per ordinary share</u></b>		
(a) Based on the weighted average number of ordinary shares on issue	0.214 cent	0.226 cent
(b) On a fully diluted basis	0.214 cent	0.223 cent

The basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 2,128,594,334 (31 January 2009: 2,107,559,427).

The fully diluted earnings per share is calculated based on the weighted average number of ordinary shares of 2,128,594,334 (31 January 2009: 2,132,058,823).

**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 31/01/2010 Cents	As at 30/04/2009 Cents
<b>Net assets value per ordinary share</b>		
The Group	6.39	6.15
The Company	4.79	4.76

Net asset value per share is calculated based on 2,131,492,885 (30 April 2009: 2,111,492,885) ordinary 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**

**3rd Quarter Review ("3Q10")**

Net profit after tax and minority interests jumped 209.2% to \$3.3 million whilst revenue is down by 1.9% to \$31.3 million. The Group turnover by business segment was as follows:

	3Q10 S\$'million	3Q09 S\$'million	+ / (-) S\$'million	+ / (-) %
Freight forwarding	14.9	17.1	(2.2)	(12.9)
Warehousing and logistics	5.1	5.0	0.1	2.0
Chemical storage and logistics	10.6	7.9	2.7	34.2
Other logistics	0.7	1.9	(1.2)	(63.2)
<b>Group Turnover</b>	<b>31.3</b>	<b>31.9</b>	<b>(0.6)</b>	<b>(1.9)</b>

Chemical storage and logistics business continued to improve in the third quarter, growing by a strong 34.2% over the previous comparative period. The decrease in turnover from freight forwarding business was due to lower freight rates. Decrease in other logistics segments was due to lower revenue from exhibition, events and interior services.

Other income comprised a gain of \$0.72 million from sale of an Australian subsidiary in December 2009.

Warehouse upkeep and related costs were higher due to the higher property tax from reassessment of annual value of new warehouses. Exhibition design and build costs were lower as a result of fewer exhibition contracts being awarded. Staff costs decreased due to lower headcount and lower sales commission. Other expenses decreased was mainly due to reversal of foreign exchange losses in the first half year and the provision for doubtful receivable made in 3Q2009.

The finance income decreased due to lower interest income from fixed deposits. The decrease in finance expense was attributable to lower bank borrowings as a result of bond redemption in the previous financial year and lower borrowing costs.

An associate from Malaysia contributed \$345,000 to the share of profit of associates.

Income attributable to minority interests reported a gain of \$121,000 compared to a loss of \$276,000 in the same period the previous year. This was due to better performance and higher earnings from a 51% subsidiary in the chemical logistics business.

The Group profit after tax and minority interest rose by \$2.2 million or 209.2% to \$3.3 million compared to \$1.06 million in the previous corresponding quarter.

#### **May 2009 to January 2010 (“9 months FY2010”)**

Group turnover for the nine months ended 31 January 2010 declined by 13.1% compared to the previous corresponding period. This was largely due to the slow and rather patchy economic recovery affecting the freight forwarding and conventional logistics businesses. The Group’s chemical storage and logistics segment however, grew in terms of turnover and profitability due to a more robust pick-up in the petrochemical industry.

	<b>9 months FY2010</b>	<b>9 months FY2009</b>	<b>+/(-)</b>	<b>+/(-)</b>
	<b>S\$’million</b>	<b>S\$’million</b>	<b>S\$’million</b>	<b>%</b>
Freight forwarding	44.5	60.2	(15.7)	(26.1)
Warehousing and logistics	14.4	14.6	(0.2)	(1.4)
Chemical storage and logistics	30.5	26.4	4.1	15.5
Other logistics	3.2	5.4	(2.2)	(40.7)
<b>Group Turnover</b>	<b>92.6</b>	<b>106.6</b>	<b>(14.0)</b>	<b>(13.1)</b>

Consequently, Group profit after tax and minority interest declined by \$199,000 or 4.2% to \$4.6 million compared to \$4.8 million in the previous corresponding nine months.

As at 31 January 2010, the Group has cash and cash equivalents of \$20.8 million compared to \$33.9 million as at 30 April 2009. Net of cash, gearing remained at 0.39 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 2<sup>nd</sup> quarter FY2010 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 economy has continued to recover more broadly but at a slow pace. The Group’s freight forwarding business is still affected by lower activities and freight rates but these may improve in the next few quarters.

Business in warehousing and storage division has proved to be resilient and as the economy recovers, we are seeing more enquiries for warehouse space and logistics services.

As previously announced, the Group has decided to discontinue with its proposed investment in CITIC logistics Co. Ltd. In this regard, good progress has been made to recover its advances.

On the proposed sale of property at 30/32 Tuas Avenue 8, the Company has filed a Notice of Appeal to pursue its claim against the purchaser. The Company will update shareholders on the development of this matter.

Looking ahead, the Group remains cautious about its business prospects and will 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? 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/recommended, a statement to that effect**

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

**13. Interested Person Transactions**

	<b>Aggregate value of all interested person transactions during the financial year under review (excluding transaction less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</b>	<b>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
TSMP Law Corporation - Professional and legal services	187	-

Mr Derek Loh Eu Tse is an independent director of Freight Links Express Holdings Limited and is a shareholder and director of TSMP Law Corporation.

**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 January 2010 to be false or misleading in any material respect.

**BY ORDER OF THE BOARD**  
**Freight links Express Holdings Limited**

**Thomas Woo**  
**Executive Director & CFO**  
**15 March 2010**