



**UOB-KAY HIAN HOLDINGS LIMITED**

Financial Statements

And Dividend Announcement

For Third Quarter Ended 30 September 2010

(Co. Ref. No. 200004464C)

These figures have not been audited.

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

COMPREHENSIVE INCOME STATEMENT	The Group					
	9 months ended	9 months ended	Increase / (Decrease)	3 months ended	3 months ended	Increase / (Decrease)
	30/09/2010	30/09/2009	%	30/09/2010	30/09/2009	%
	S\$'000	S\$'000		S\$'000	S\$'000	
<b>Revenue</b>						
Commission income	252,638	262,904	(3.9)	85,784	113,080	(24.1)
Interest income	41,523	27,118	53.1	14,017	10,761	30.3
Dividend from quoted / unquoted securities	547	429	27.5	278	149	86.6
Other operating revenue	14,439	7,470	93.3	6,459	4,969	30.0
<b>Total revenue</b>	<b>309,147</b>	<b>297,921</b>	<b>3.8</b>	<b>106,538</b>	<b>128,959</b>	<b>(17.4)</b>
Foreign exchange gain	4,503	4,865	(7.4)	649	1,959	(66.9)
Realised gain on financial assets, available-for-sale	462	-	N.M.	-	-	N.M.
<b>Total income</b>	<b>314,112</b>	<b>302,786</b>	<b>3.7</b>	<b>107,187</b>	<b>130,918</b>	<b>(18.1)</b>
<b>Costs and expenses</b>						
Commission expenses	(65,880)	(74,584)	(11.7)	(21,779)	(32,595)	(33.2)
Personnel expenses	(83,557)	(71,046)	17.6	(28,817)	(28,515)	1.1
Depreciation and amortisation expenses	(7,114)	(1,871)	280.2	(2,411)	(630)	282.7
Allowance for impairment of trade debtors & bad debts written off	(72)	(2,766)	(97.4)	178	(139)	(228.1)
(Allowance) / write back on impairment in financial assets, available-for-sale	-	(1,426)	N.M.	-	21	N.M.
Net fair value gain on financial assets / liabilities through profit or loss	1,125	4,077	(72.4)	1,660	1,460	13.7
Finance expenses	(5,062)	(3,363)	50.5	(1,893)	(1,564)	21.0
Other operating expenses	(37,163)	(50,803)	(26.8)	(13,014)	(16,939)	(23.2)
	<b>(197,723)</b>	<b>(201,782)</b>	<b>(2.0)</b>	<b>(66,076)</b>	<b>(78,901)</b>	<b>(16.3)</b>
<b>Profit before tax</b>	<b>116,389</b>	<b>101,004</b>	<b>15.2</b>	<b>41,111</b>	<b>52,017</b>	<b>(21.0)</b>
Income tax expense*	(19,387)	(17,052)	13.7	(6,808)	(8,905)	(23.5)
<b>Profit after tax</b>	<b>97,002</b>	<b>83,952</b>	<b>15.5</b>	<b>34,303</b>	<b>43,112</b>	<b>(20.4)</b>
<b>Other comprehensive income (net of tax):</b>						
Foreign currency translation difference	(15,025)	(2,056)	630.8	(15,840)	(6,259)	153.1
Available-for-sale financial assets	(791)	8,312	(109.5)	894	4,035	(77.8)
	<b>(15,816)</b>	<b>6,256</b>	<b>(352.8)</b>	<b>(14,946)</b>	<b>(2,224)</b>	<b>572.0</b>
<b>Total comprehensive income for the period</b>	<b>81,186</b>	<b>90,208</b>	<b>(10.0)</b>	<b>19,357</b>	<b>40,888</b>	<b>(52.7)</b>

\*Under / (Over) provision of taxation in respect of prior years in the 9 months ended 30 September 2010 is \$206,834. (9 months ended 30 September 2009: (\$21,960))

N.M. = Not Meaningful.

1(a) A comprehensive income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year *(continued)*

**COMPREHENSIVE INCOME STATEMENT**  
*(continued)*

	The Group					
	9 months ended 30/09/2010	9 months ended 30/09/2009	Increase / (Decrease) %	3 months ended 30/09/2010	3 months ended 30/09/2009	Increase / (Decrease) %
	S\$'000	S\$'000		S\$'000	S\$'000	
<b>Profit attributable to :</b>						
Owners of the Company	96,157	83,332	15.4	33,712	42,693	(21.0)
Non-controlling interests	845	620	36.3	591	419	41.1
	<b>97,002</b>	<b>83,952</b>	15.5	<b>34,303</b>	<b>43,112</b>	(20.4)
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	79,991	89,622	(10.7)	18,795	40,855	(54.0)
Non-controlling interests	1,195	586	103.9	562	33	1,603.0
	<b>81,186</b>	<b>90,208</b>	(10.0)	<b>19,357</b>	<b>40,888</b>	(52.7)

**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.**

	The Group		The Company	
	As at 30/9/2010 S\$'000	As at 31/12/2009 S\$'000	As at 30/9/2010 S\$'000	As at 31/12/2009 S\$'000
<b>ASSETS</b>				
<b><u>Current assets</u></b>				
Cash and cash equivalents	254,759	180,778	139	120
Outstanding contracts receivable	1,525,407	1,063,052	-	-
Trade receivables	1,467,363	1,155,395	-	-
Financial assets at fair value through profit or loss	28,465	26,234	-	-
Other current assets	26,504	17,191	74,699	83,350
Derivative financial instruments	16	8	-	-
	<b>3,302,514</b>	<b>2,442,658</b>	<b>74,838</b>	<b>83,470</b>
<b><u>Non-current assets</u></b>				
Investments				
- in subsidiaries	-	-	235,845	235,845
- in associates	-	97	-	-
Financial assets, available-for-sale	16,525	17,967	-	-
Trading rights in Exchanges	98	103	-	-
Memberships in Exchanges	240	234	-	-
Property, plant and equipment	73,013	76,738	-	-
Deferred income tax assets	228	226	-	-
Other non-current trade receivables	30,538	-	-	-
	<b>120,642</b>	<b>95,365</b>	<b>235,845</b>	<b>235,845</b>
<b>Total assets</b>	<b>3,423,156</b>	<b>2,538,023</b>	<b>310,683</b>	<b>319,315</b>
<b>LIABILITIES AND EQUITY</b>				
<b><u>Current liabilities</u></b>				
Outstanding contracts payable	1,413,940	944,002	-	-
Trade and other payables	160,926	121,465	138,334	89,314
Financial liabilities at fair value through profit or loss	37	6	-	-
Borrowings	768,677	424,808	-	-
Current income tax liabilities	23,993	19,822	-	-
Derivative financial instruments	420	8	-	-
	<b>2,367,993</b>	<b>1,510,111</b>	<b>138,334</b>	<b>89,314</b>
<b><u>Non-current liability</u></b>				
Deferred income tax liabilities	1,156	1,076	-	-
<b>Total liabilities</b>	<b>2,369,149</b>	<b>1,511,187</b>	<b>138,334</b>	<b>89,314</b>
<b><u>Equity</u></b>				
Share capital	72,471	72,471	72,471	72,471
Reserves	(28,125)	(11,854)	-	-
Retained earnings	989,579	953,124	99,878	157,530
	<b>1,033,925</b>	<b>1,013,741</b>	<b>172,349</b>	<b>230,001</b>
Non-controlling interests	20,082	13,095	-	-
<b>Total Equity</b>	<b>1,054,007</b>	<b>1,026,836</b>	<b>172,349</b>	<b>230,001</b>
<b>Total liabilities and equity</b>	<b>3,423,156</b>	<b>2,538,023</b>	<b>310,683</b>	<b>319,315</b>
<b><u>Clients' trust / segregated accounts</u></b>				
Bank balances				
- with affiliated corporations	336,832	179,660	-	-
- with non-related banks	523,299	555,113	-	-
Margin with clearing houses	13,100	6,141	-	-
Less: Amounts held in trust	(873,231)	(740,914)	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

	The Group			
	As at 30/09/2010		As at 31/12/2009	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amounts repayable in one year or less, or on demand	498,095	270,582	317,557	107,251
Amounts repayable after one year	-	-	-	-

**Details of any collateral**

Details of secured group borrowings are as follows:

- Bank overdrafts and short term loans of subsidiaries amounting to S\$498,095,053 are secured by a fixed charge over immovable fixed assets and a floating charge over all assets.

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

	The Group			
	9 months ended 30/09/2010 S\$'000	9 months ended 30/09/2009 S\$'000	3 months ended 30/09/2010 S\$'000	3 months ended 30/09/2009 S\$'000
<b>Operating activities</b>				
Profit before tax	116,389	101,004	41,111	52,017
Adjustments for:				
Depreciation and amortisation expenses	7,114	1,871	2,411	630
Loss / (Gain) on disposal of property, plant and equipment	98	(23)	18	(23)
Realised gain on sale of financial assets, available-for-sale	(462)	-	-	-
Dilution of interest in a subsidiary	4,435	-	-	-
Dividend income from quoted / unquoted securities	(547)	(429)	(278)	(149)
Allowance /(write back) on impairment in financial assets, available-for-sale	-	1,426	-	(21)
Finance expenses	5,062	3,363	1,893	1,564
Exchange differences	(14,955)	(2,147)	(15,724)	(6,236)
Operating cash flow before working capital changes	117,134	105,065	29,431	47,782
Changes in operating assets and liabilities:				
Financial assets / liabilities at fair value through profit or loss	(2,200)	(24,426)	(61)	(855)
Trade, outstanding contracts and other receivables	(814,182)	(1,987,452)	(790,923)	(1,299,398)
Trade, outstanding contracts and other payables	509,811	781,668	516,233	526,198
Cash used in operations	(189,437)	(1,125,145)	(245,320)	(726,273)
Interest paid	(5,062)	(3,363)	(1,893)	(1,564)
Income tax paid	(15,275)	(12,800)	(6,076)	(5,656)
<b>Net cash used in operating activities</b>	(209,774)	(1,141,308)	(253,289)	(733,493)
<b>Investing activities</b>				
Payments for property, plant and equipment	(3,468)	(25,032)	(987)	(11,324)
Proceeds from disposal of financial assets, available-for-sale	1,167	-	-	-
Proceeds from disposal of property, plant and equipment	19	34	14	34
Proceeds from capital repayment in associates	80	-	23	-
Payment for financial assets, available -for-sale	-	(221)	-	(132)
Payment to non-controlling interests for additional interest in a subsidiary	(234)	(442)	(64)	(442)
Payment to non-controlling interests for dividend	(248)	(145)	-	8
Dividends received from quoted / unquoted securities	547	429	278	149
<b>Net cash used in investing activities</b>	(2,137)	(25,377)	(736)	(11,707)
<b>Financing activities</b>				
Drawdown of short-term bank loans	344,926	780,605	272,970	795,088
Dividends paid	(57,976)	(54,353)	(3,623)	(3,623)
<b>Net cash from financing activities</b>	286,950	726,252	269,347	791,465

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

	The Group			
	9 months ended 30/09/2010	9 months ended 30/09/2009	3 months ended 30/09/2010	3 months ended 30/09/2009
	S\$'000	S\$'000	S\$'000	S\$'000
Net increase / (decrease) in cash and cash equivalents during the financial period	75,039	(440,433)	15,322	46,265
Cash and cash equivalents at beginning of the financial period	167,430	708,724	227,147	222,026
<b>Cash and cash equivalents at end of the financial period</b>	<b>242,469</b>	<b>268,291</b>	<b>242,469</b>	<b>268,291</b>

For the purpose of consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following :

	The Group	
	As at 30/09/2010	As at 30/09/2009
	S\$'000	S\$'000
Cash and bank balances	254,759	288,047
Less: Bank overdrafts	(12,290)	(19,756)
<b>Cash and cash equivalents per consolidated cash flow statement</b>	<b>242,469</b>	<b>268,291</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.**

**STATEMENT OF CHANGES IN EQUITY – THE GROUP**

	Share capital S\$'000	Statutory reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to members of the company S\$'000	Non- controlling interests S\$'000	Total Equity S\$'000
<b>Balance at 1 January 2010</b>	<b>72,471</b>	<b>1,404</b>	<b>8,531</b>	<b>(21,789)</b>	<b>953,124</b>	<b>1,013,741</b>	<b>13,095</b>	<b>1,026,836</b>
Total comprehensive income for first quarter	-	34	(898)	1,292	32,767	33,195	570	33,765
Dilution of interest in a subsidiary	-	(113)	-	-	(1,726)	(1,839)	6,274	4,435
Acquisition of additional interest in a subsidiary	-	5	-	7	-	12	(130)	(118)
<b>Balance at 31 March 2010</b>	<b>72,471</b>	<b>1,330</b>	<b>7,633</b>	<b>(20,490)</b>	<b>984,165</b>	<b>1,045,109</b>	<b>19,809</b>	<b>1,064,918</b>
Total comprehensive income for second quarter	-	-	(792)	(885)	29,678	28,001	63	28,064
Final dividend for 2009 paid	-	-	-	-	(54,353)	(54,353)	-	(54,353)
Payment of dividends by a subsidiary	-	-	-	-	-	-	(248)	(248)
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	(40)	(40)
<b>Balance at 30 June 2010</b>	<b>72,471</b>	<b>1,330</b>	<b>6,841</b>	<b>(21,375)</b>	<b>959,490</b>	<b>1,018,757</b>	<b>19,584</b>	<b>1,038,341</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. *(continued)*

**STATEMENT OF CHANGES IN EQUITY – THE GROUP** *(continued)*

	Share capital S\$'000	Statutory reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to members of the company S\$'000	Non-controlling interests S\$'000	Total Equity S\$'000
<b>Balance at 30 June 2010</b>	<b>72,471</b>	<b>1,330</b>	<b>6,841</b>	<b>(21,375)</b>	<b>959,490</b>	<b>1,018,757</b>	<b>19,584</b>	<b>1,038,341</b>
Total comprehensive income for third quarter	-	2	889	(15,808)	33,712	18,795	562	19,357
Interim dividend for 2010 paid	-	-	-	-	(3,623)	(3,623)	-	(3,623)
Acquisition of additional interest in a subsidiary	-	3	-	(7)	-	(4)	(64)	(68)
<b>Balance at 30 September 2010</b>	<b>72,471</b>	<b>1,335</b>	<b>7,730</b>	<b>(37,190)</b>	<b>989,579</b>	<b>1,033,925</b>	<b>20,082</b>	<b>1,054,007</b>

  

	Share capital S\$'000	Statutory reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to members of the company S\$'000	Non-controlling interests S\$'000	Total Equity S\$'000
<b>Balance at 1 January 2009</b>	<b>72,471</b>	<b>1,351</b>	<b>7,990</b>	<b>(18,015)</b>	<b>893,091</b>	<b>956,888</b>	<b>13,435</b>	<b>970,323</b>
Total comprehensive income for first quarter	-	45	172	15,281	8,446	23,944	376	24,320
<b>Balance at 31 March 2009</b>	<b>72,471</b>	<b>1,396</b>	<b>8,162</b>	<b>(2,734)</b>	<b>901,537</b>	<b>980,832</b>	<b>13,811</b>	<b>994,643</b>
Final dividend for 2008 paid	-	-	-	-	(50,730)	(50,730)	-	(50,730)
Payment of dividends by a subsidiary	-	-	-	-	-	-	(153)	(153)
Total comprehensive income for second quarter	-	(10)	4,102	(11,462)	32,193	24,823	177	25,000
<b>Balance at 30 June 2009</b>	<b>72,471</b>	<b>1,386</b>	<b>12,264</b>	<b>(14,196)</b>	<b>883,000</b>	<b>954,925</b>	<b>13,835</b>	<b>968,760</b>
Interim dividend for 2009 paid	-	-	-	-	(3,623)	(3,623)	-	(3,623)
Acquisition of additional interest in a subsidiary	-	16	-	12	-	28	(434)	(406)
Total comprehensive income for third quarter	-	(11)	4,034	(5,861)	42,693	40,855	33	40,888
<b>Balance at 30 September 2009</b>	<b>72,471</b>	<b>1,391</b>	<b>16,298</b>	<b>(20,045)</b>	<b>922,070</b>	<b>992,185</b>	<b>13,434</b>	<b>1,005,619</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. *(continued)*

**STATEMENT OF CHANGES IN EQUITY – THE COMPANY**

	Share capital S\$'000	Retained earnings S\$'000	Total S\$'000
<b>Balance at 1 January 2010</b>	72,471	157,530	230,001
Total comprehensive loss for first quarter	-	(26)	(26)
<b>Balance at 31 March 2010</b>	<b>72,471</b>	<b>157,504</b>	<b>229,975</b>
Total comprehensive income for second quarter	-	393	393
Final dividend for 2009 paid	-	(54,353)	(54,353)
<b>Balance at 30 June 2010</b>	<b>72,471</b>	<b>103,544</b>	<b>176,015</b>
Total comprehensive loss for third quarter	-	(43)	(43)
Interim dividend for 2010 paid	-	(3,623)	(3,623)
<b>Balance at 30 September 2010</b>	<b>72,471</b>	<b>99,878</b>	<b>172,349</b>
	Share capital S\$'000	Retained earnings S\$'000	Total S\$'000
<b>Balance at 1 January 2009</b>	72,471	147,057	219,528
Total comprehensive income for first quarter	-	11	11
<b>Balance at 31 March 2009</b>	<b>72,471</b>	<b>147,068</b>	<b>219,539</b>
Final dividend for 2008 paid	-	(50,730)	(50,730)
Total comprehensive income for second quarter	-	443	443
<b>Balance at 30 June 2009</b>	<b>72,471</b>	<b>96,781</b>	<b>169,252</b>
Interim dividend for 2009 paid	-	(3,623)	(3,623)
Total comprehensive loss for third quarter	-	(36)	(36)
<b>Balance at 30 September 2009</b>	<b>72,471</b>	<b>93,122</b>	<b>165,593</b>



**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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.**

NIL

**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 financial year.**

**30 September 2010    31 December 2009**

No. of shares	724,709,009	724,709,009
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**1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and / or use of treasury shares as at the end of the current financial period reported on.**

Not applicable

**1(e) Confirmation of the Board**

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial statements for the quarter ended 30 September 2010 to be false or misleading in any material aspect.

By order of the Board of Directors

Wee Ee-chao  
Managing Director

Esmond Choo  
Executive Director

**2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice (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.**

The Group and the Company have applied the same accounting policies in the financial statements for the current reporting period compared to the audited financial statements as at 31 December 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.**

Not applicable.

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

	The Group			
	9 months ended 30/9/2010	9 months ended 30/09/2009	3 months ended 30/09/2010	3 months ended 30/09/2009
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares in issue	13.27 cents	11.50 cents	4.65 cents	5.89 cents
(ii) On a fully diluted basis	13.27 cents	11.50 cents	4.65 cents	5.89 cents

- 7 **Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year.**

	The Group		The Company	
	As at 30/9/2010	As at 31/12/2009	As at 30/9/2010	As at 31/12/2009
Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on	142.67 cents	139.88 cents	23.78 cents	31.74 cents

- 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 affect the turnovers, 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.**

## Operating Profit and Expenses

### 3Q10 vs 3Q09

The strong rally seen in 3rd quarter last year was not repeated in the current period. Commission income decreased from S\$113.1 million to S\$85.8 million, reflecting a decline of 24.1%. Interest income and other operating revenue grew strongly by 30.3% and 30.0% respectively quarter on quarter with expansion of our margin financing and lending activities.

Total costs and expenses have declined 16.3% with the lower revenue. Commission expenses decreased 33.2% quarter on quarter, in line with the decline in commission income. The increase in finance expenses of 21.0% was due to higher working capital requirements.

The Group recorded pre-tax profit of S\$41.1 million and after tax profit of S\$34.3 million, a decrease of 21.0% and 20.4% respectively.

### 9 months 10 vs 9 months 09

The decrease of 3.9% in commission income was more than offset by the increase in interest income of 53.1% and other operating revenue of 93.3% over the comparative period. Total income rose by 3.7% to S\$314.1 million. Total costs and expenses decreased 2.0%.

The Group recorded a profit before tax of S\$116.4 million and profit after tax of S\$97.0 million, representing increases of 15.2% and 15.5% respectively.

**Balance Sheet**

The Group maintained a healthy net asset value of S\$1.05 billion as at 30 September 2010. There were no significant changes in the composition of Group balance sheet items except for higher trade receivables which were funded by cash from operations and borrowings.

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

Not applicable.

**10 A commentary at the date of the announcement of the 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.**

Asian economies ex Japan have registered strong economic growth. Coupled with low prevailing interest rates, these factors are favourable to regional stock markets.

However, market volatility, which may adversely affect investment sentiments, could arise from continued fragility in the Western economies and cooling off measures adopted by regional governments to stem potential emerging bubbles in certain sectors of their economies.

**11 Dividend**

**(a) Current Financial Period Reported On**

*Any dividend declared for the current financial period (quarter) reported on?* *None*

**(b) Corresponding Period of the Immediately Preceding Financial Year**

*Any dividend declared for the corresponding period (quarter) of the immediately preceding financial year?* *None*

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

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

Not applicable

**BY ORDER OF THE BOARD**

**Wee Ee-chao**  
**Managing Director**  
**9 November 2010**