

SING INVESTMENTS & FINANCE LTD (Co. Reg. No. 196400348D)

First Quarter Financial Statements

First quarter financial statements on consolidated results for the three months ended 31 March 2008. These figures have not been audited.

1(a)(i) Consolidated income statement for the quarter ended 31 March 2008

	Group		
	1st Qtr 2008 (Unaudited)	1st Qtr 2007	Increase/ (Decrease)
	\$'000	\$'000	%
Revenue			
Interest income and hiring charges	16,856	14,975	12.6
Interest expense	(9,007)	(9,254)	(2.7)
Net interest income and hiring charges	7,849	5,721	37.2
Fees and commissions	227	227	NM
Dividends	10	14	(28.6)
Rental income from investment properties	785	77	NM
Profit on sale of investments	-	5	NM
Other income	2	6	(66.7)
Income before operating expenses	8,873	6,050	46.7
Staff costs	(2,370)	(1,895)	25.1
Depreciation of property, plant and equipment	(199)	(220)	(9.5)
Depreciation of investment property	(91)	(48)	89.6
Other expenses	(1,286)	(1,044)	23.2
Profit from operations before impairment losses	4,927	2,843	73.3
Allowances for impairment losses on loans and advances	(166)	(113)	46.9
Profit before income tax	4,761	2,730	74.4
Income tax expense	(830)	(443)	87.4
Profit for the period attributable to equity holders of the Company	3,931	2,287	71.9

NM: Not meaningful

1(a)(ii) Earnings Per Share of the Group

a) Annualised earnings based on the weighted average number of ordinary shares in issue (cents)	14.96	12.19
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The Group's basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 105,083,843 (1st Qtr 2007: 75,060,600) shares.

b) On a fully diluted basis	14.96	12.19
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There are no potential dilutive ordinary shares for the periods ended 31 March 2008 and 2007.

1(b)(i) Balance Sheets as at 31 March 2008

	Group		Company	
	31 Mar 2008	31 Dec 2007	31 Mar 2008	31 Dec 2007
	\$'000	\$'000	\$'000	\$'000
Non-currents assets				
Property, plant and equipment	19,320	19,742	19,320	19,742
Investment property	26,376	26,216	26,376	26,216
Subsidiary	-	-	25	25
Loans and advances due after twelve months	938,318	905,037	938,318	905,037
Deferred tax assets	20	20	20	20
	<u>984,034</u>	<u>951,015</u>	<u>984,059</u>	<u>951,040</u>
Current assets				
Statutory deposit with the Monetary Authority of Singapore	41,562	39,079	41,562	39,079
Loans and advances due within twelve months	414,344	399,335	414,344	399,335
Investments	196,603	184,181	196,307	183,872
Other assets	3,605	4,286	3,605	4,286
Cash on deposit, at banks and in hand	81,930	147,650	81,865	147,586
	<u>738,044</u>	<u>774,531</u>	<u>737,683</u>	<u>774,158</u>
Total assets	<u>1,722,078</u>	<u>1,725,546</u>	<u>1,721,742</u>	<u>1,725,198</u>
Equity attributable to equity holders of the Company				
Share capital	117,199	117,199	117,199	117,199
Reserves	77,374	71,668	76,809	71,092
Total equity	<u>194,573</u>	<u>188,867</u>	<u>194,008</u>	<u>188,291</u>
Non-current liabilities				
Medium Term Notes	50,000	50,000	50,000	50,000
SPRING loans due after twelve months (unsecured)	9,421	7,868	9,421	7,868
	<u>59,421</u>	<u>57,868</u>	<u>59,421</u>	<u>57,868</u>
Current liabilities				
Deposits and savings accounts of customers	1,429,231	1,438,790	1,429,926	1,439,482
Other liabilities	24,866	27,556	24,398	27,090
SPRING loans due within twelve months (unsecured)	8,324	7,735	8,324	7,735
Employee benefits	193	193	193	193
Current tax payable	5,470	4,537	5,472	4,539
	<u>1,468,084</u>	<u>1,478,811</u>	<u>1,468,313</u>	<u>1,479,039</u>
Total liabilities	<u>1,527,505</u>	<u>1,536,679</u>	<u>1,527,734</u>	<u>1,536,907</u>
Total equity and liabilities	<u>1,722,078</u>	<u>1,725,546</u>	<u>1,721,742</u>	<u>1,725,198</u>
1(b)(ii) Net asset value per ordinary share (\$)	1.85	1.80	1.85	1.79

The net asset value per ordinary share of the Group and of the Company is calculated based on the net assets of the Group and of the Company and the number of ordinary shares in issue of 105,083,843 (2007: 105,083,843) shares.

1(d) Statement of changes in equity for the 3 months ended 31 March 2008

	Share capital	Statutory reserve	Fair value reserve	Accumulated profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
At 1 January 2007	84,430	43,046	4,832	33,024	165,332
Adjustment to fair value of investments recognised directly in equity	-	-	1,889	-	1,889
Profit for the period	-	-	-	2,287	2,287
Total recognised income for the period	-	-	1,889	2,287	4,176
At 31 March 2007	84,430	43,046	6,721	35,311	169,508
At 1 January 2008	117,199	49,367	7,912	14,389	188,867
Adjustment to fair value of investments recognised directly in equity	-	-	1,775	-	1,775
Profit for the period	-	-	-	3,931	3,931
Total recognised income for the period	-	-	1,775	3,931	5,706
At 31 March 2008	117,199	49,367	9,687	18,320	194,573

	Share capital	Statutory reserve	Fair value reserve	Accumulated profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Company					
At 1 January 2007	84,430	43,046	4,629	32,720	164,825
Adjustment to fair value of investments recognised directly in equity	-	-	1,824	-	1,824
Profit for the period	-	-	-	2,287	2,287
Total recognised income for the period	-	-	1,824	2,287	4,111
At 31 March 2007	84,430	43,046	6,453	35,007	168,936
At 1 January 2008	117,199	49,367	7,661	14,064	188,291
Adjustment to fair value of investments recognised directly in equity	-	-	1,788	-	1,788
Profit for the period	-	-	-	3,929	3,929
Total recognised income for the period	-	-	1,788	3,929	5,717
At 31 March 2008	117,199	49,367	9,449	17,993	194,008

1(c) Consolidated cash flow statement for the three months ended 31 March 2008

	Group	
	1st Quarter 2008	1st Quarter 2007
	\$'000	\$'000
Operating activities		
Profit for the period	3,931	2,287
Adjustments for:		
Impact of accrual of interest income	1,383	819
Impact of accrual of interest expense	(2,873)	573
Depreciation of property, plant and equipment	199	220
Depreciation of investment property	91	48
Profit on disposal of investments	-	(8)
Allowance for impairment losses on loans and advances	166	113
Income tax expense	830	443
	<u>3,727</u>	<u>4,495</u>
Changes in working capital:		
Loans and advances	(48,456)	(69,384)
Other assets	(744)	182
Deposits and savings accounts of customers	(9,559)	90,458
Other liabilities	183	958
SPRING loans	2,142	(500)
Cash generated from operations	(52,707)	26,209
Income taxes paid	103	(3)
Cash flows from operating activities	<u>(52,604)</u>	<u>26,206</u>
Investing activities		
Purchase of investments	-	(6)
Purchase of property, plant and equipment and investment property	(28)	(2,358)
Proceeds from disposal of investments	-	29
Cash flows from investing activities	<u>(28)</u>	<u>(2,335)</u>
Net increase in cash and cash equivalents	(52,632)	23,871
Cash and cash equivalents as at beginning of the year	368,018	356,421
Fair value adjustments of Singapore Government securities	1,971	1,563
Cash and cash equivalents at end of the period	<u>317,357</u>	<u>381,855</u>
	<u>As at 31 Mar</u>	<u>As at 31 Mar</u>
	<u>2008</u>	<u>2007</u>
Cash on deposit, at banks, and in hand	81,930	196,195
Statutory deposit with the Monetary Authority of Singapore	41,562	31,946
Singapore Government Securities	193,865	153,714
	<u>317,357</u>	<u>381,855</u>

2 Accounting Policies and Comparative Figures

For the current financial year, the following new or revised financial reporting standards ("FRS") and interpretation came into effect on 1 January 2008, the adoption of which does not have a material impact on recognition and measurement of the financial statements for the financial year under review.

- INT FRS 111 FRS102 Group and Treasury Share transactions
- INT FRS 112 Service Concession Arrangements

The accounting policies and methods of computation adopted in the financial statements for the financial period under review are consistent with those applied in the financial statements for the year ended 31 December 2007.

The financial statements are prepared in accordance with Singapore FRS.

3 Review of Performance

The Group's loan assets was \$1,352.7 million as at 31 March 2008, an increase of 3.7% or \$48.3 million over the loans base of \$1,304.4 million as at 31 December 2007 and an increase of 24% or \$261.5 million over the loans base of \$1,091.2 million as at 31 March 2007.

The Group's operating revenue increased by 12.6% as compared to the corresponding period attributed to the growth in loans assets. Group profit after tax increased 71.9% to \$3.9 million from \$2.3 million in the previous corresponding period. The increase was attributed to the increase in operating revenue, improved net interest income and hiring charges as well as higher rental income from SIF building. These increases were however, partly offset by higher operating expenses.

The Group continues to maintain adequate individual and collective allowances in respect of its loan portfolio.

In the opinion of the Directors, no significant event has arisen between 31 March 2008 and the date of this report which would materially affect the results of the Group and the Company for the year just ended.

4 Current Year Prospects

We expect 2008 to be a challenging year in view of the uncertainty of the global economy and the high inflation rate.

However, the Group will continue to provide its main credit products to SMEs and personal financial products and loans to individuals. It will continue to build a quality diversified portfolio and strengthen its deposits base as well as provide better services to its customers. The Group will continue to exercise prudent risk management and focus on building sustainable growth.

5 Dividends

No dividend has been recommended for the present financial period.

Dividend declared for the previous corresponding period – Nil.

6 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 other purpose since the end of the previous period reported.

There has been no change in the Company's share capital arising from the above issues.

As at the end of the current financial period, there were no outstanding convertibles (31 March 2007: Nil).

7 Comparative Figures of the Group's Borrowings and Debt Securities

	<u>As at 31/03/2008</u>		<u>As at 31/12/2007</u>	
	<u>Secured</u> (\$ '000)	<u>Unsecured</u> (\$ '000)	<u>Secured</u> (\$ '000)	<u>Unsecured</u> (\$ '000)
Amount repayable in one year or Less , or on demand	-	8,324	-	7,735
Amount repayable after one year	-	59,421	-	57,868

8 Other Information

- (a) Income of the Group is derived primarily from financing business and related nominee services. The Group operates in Singapore only.
- (b) Amount of any adjustment for under or overprovision of tax in respect of prior years - Nil
- (c) Amount of any pre-acquisition profits - Nil
- (d) Amount of profits on any sale of investments and/or properties - Nil

BY ORDER OF THE BOARD

Lee Sze Leong
Chairman
12 May 2008