

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

First Quarter Financial Statements and Dividend Announcement

First quarter financial statements on consolidated results for the three months ended 31 March 2009. These figures have not been audited.

1(a)(i) Statement of comprehensive income for the quarter ended 31 March 2009

	Group		
	1st Qtr 2009 (Unaudited) \$'000	1st Qtr 2008 \$'000	Increase/ (Decrease) %
Revenue			
Interest income and hiring charges	16,503	16,856	(2.1)
Interest expense	(6,751)	(9,007)	(25.0)
Net interest income and hiring charges	9,752	7,849	24.2
Fees and commissions	210	227	(7.5)
Dividends	-	10	NM
Rental income from investment properties	796	741	7.4
Other income	76	46	65.2
Income before operating expenses	10,834	8,873	22.1
Staff costs	(2,067)	(2,370)	(12.8)
Depreciation of property, plant and equipment	(277)	(199)	39.2
Depreciation of investment properties	(94)	(91)	3.3
Other expenses	(1,182)	(1,286)	(8.1)
Profit from operations before impairment losses	7,214	4,927	46.4
Allowances for impairment losses on loans and advances	(263)	(166)	58.4
Profit before income tax	6,951	4,761	46.0
Income tax expense	(1,211)	(830)	45.9
Profit for the period attributable to equity holders of the Company	5,740	3,931	46.0
Other Comprehensive Income			
Available-for-sale financial assets	(5,659)	1,775	NM
Income tax relating to other comprehensive income	1,164	-	NM
Other comprehensive income for the period, net of tax	(4,495)	1,775	NM
Total comprehensive income for the period attributable to equity holders of the Company	1,245	5,706	(78.2)

NM: Not meaningful

Please refer to Note 2 on comparative figures.

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

Annualised earnings per share (cents)		
- based on weighted average number of shares	21.85	14.96
- on a diluted basis	21.85	14.96

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 Quarter 2008: 105,083,843) shares.

There are no potential dilutive ordinary shares for the periods ended 31 March 2009 and 2008.

1(b)(i) Statement of financial position as at 31 March 2009

	Group		Company	
	31 Mar 2009 \$'000	31 Dec 2008 \$'000	31 Mar 2009 \$'000	31 Dec 2008 \$'000
Current assets				
Cash on deposit, at banks and in hand	113,817	52,249	113,753	52,168
Other assets	3,527	5,045	3,527	5,045
Available-for-sale financial assets	241,947	240,564	241,752	240,356
Loans and advances due within twelve months	530,406	491,951	530,406	491,951
Statutory deposit with the Monetary Authority of Singapore	42,273	44,076	42,273	44,076
	931,970	833,885	931,711	833,596
Non-current assets				
Property, plant and equipment	20,211	20,630	20,211	20,630
Investment properties	26,624	26,718	26,624	26,718
Subsidiary	-	-	25	25
Loans and advances due after twelve months	792,502	900,736	792,502	900,736
	839,337	948,084	839,362	948,109
Total assets	1,771,307	1,781,969	1,771,073	1,781,705
Equity attributable to equity holders of the Company				
Share capital	117,199	117,199	117,199	117,199
Statutory reserve	52,126	52,126	52,126	52,126
Retained earnings	16,585	10,845	16,258	10,518
Revaluation of available-for-sale financial assets	12,005	16,500	11,891	16,377
Total equity	197,915	196,670	197,474	196,220
Current liabilities				
Deposits and savings accounts of customers	1,472,362	1,459,082	1,473,078	1,459,784
Other liabilities	27,023	30,358	26,537	29,869
Interest bearing borrowings	-	21,000	-	21,000
Medium-term Notes	50,000	50,000	50,000	50,000
SPRING loans due within twelve months (unsecured)	6,861	7,012	6,861	7,012
Employee benefits	225	225	225	225
Current tax payable	6,481	5,270	6,481	5,270
	1,562,952	1,572,947	1,563,182	1,573,160
Non-current liabilities				
SPRING loans due after twelve months (unsecured)	8,218	8,966	8,218	8,966
Deferred tax liabilities	2,222	3,386	2,199	3,359
	10,440	12,352	10,417	12,325
Total liabilities	1,573,392	1,585,299	1,573,599	1,585,485
Total equity and liabilities	1,771,307	1,781,969	1,771,073	1,781,705
1(b)(ii) Net asset value per ordinary share (\$)	1.88	1.87	1.88	1.87

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 (1st Quarter 2008: 105,083,843) shares.

1(c) Consolidated statement of cash flows for the quarter ended 31 March 2009

	Group	
	1st Quarter	1st Quarter
	2009	2008
	\$'000	\$'000
Operating activities		
Profit before income tax	6,951	4,761
Adjustments for:		
Impact of accrual of interest income	1,448	1,383
Impact of accrual of interest expense	(2,469)	(2,873)
Depreciation of property, plant and equipment	277	199
Depreciation of investment properties	94	91
Allowances for impairment losses on loans and advances	263	166
	<u>6,564</u>	<u>3,727</u>
Changes in working capital		
Other assets	(103)	(744)
Loans and advances	69,516	(48,456)
Statutory deposits with MAS	1,803	(2,483)
Deposits and savings accounts of customers	13,280	(9,559)
Other liabilities	(643)	183
SPRING loans	(899)	2,142
Cash used in operations	<u>89,518</u>	<u>(55,190)</u>
Income taxes refunded	-	103
Cash flows used in operating activities	<u>89,518</u>	<u>(55,087)</u>
Investing activities		
Purchase of investments	(24,369)	(10,605)
Purchase of property, plant and equipment and investment properties	(81)	(28)
Proceeds from disposal of investments	17,500	-
Cash flows used in investing activities	<u>(6,950)</u>	<u>(10,633)</u>
Financing activities		
Interest-bearing borrowings	(21,000)	-
Cash flows from financing activities	<u>(21,000)</u>	<u>-</u>
Net decrease in cash and cash equivalents	61,568	(65,720)
Cash and cash equivalents at beginning of the year	52,249	147,650
Cash and cash equivalents at end of the period	<u>113,817</u>	<u>81,930</u>

Please refer to Note 2 on comparative figures.

1(d) Statement of changes in equity for the quarter ended 31 March 2009

	Share Capital	Statutory reserve	Retained earnings	Revaluation of available-for- sale financial assets	Total
Group	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2008	117,199	49,367	14,389	7,912	188,867
Total comprehensive income for the period At 31 March 2008	-	-	3,931	1,775	5,706
	<u>117,199</u>	<u>49,367</u>	<u>18,320</u>	<u>9,687</u>	<u>194,573</u>
At 1 January 2009	117,199	52,126	10,845	16,500	196,670
Total comprehensive income for the period At 31 March 2009	-	-	5,740	(4,495)	1,245
	<u>117,199</u>	<u>52,126</u>	<u>16,585</u>	<u>12,005</u>	<u>197,915</u>

	Share Capital	Statutory reserve	Retained earnings	Revaluation of available-for- sale financial assets	Total
Company	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2008	117,199	49,367	14,064	7,661	188,291
Total comprehensive income for the period At 31 March 2008	-	-	3,929	1,788	5,717
	<u>117,199</u>	<u>49,367</u>	<u>17,993</u>	<u>9,449</u>	<u>194,008</u>
At 1 January 2009	117,199	52,126	10,518	16,377	196,220
Total comprehensive income for the period At 31 March 2009	-	-	5,740	(4,486)	1,254
	<u>117,199</u>	<u>52,126</u>	<u>16,258</u>	<u>11,891</u>	<u>197,474</u>

2 Accounting Policies and Comparative Figures

In the current financial period, the Group has adopted all the following new and revised Financial Reporting Standards ("FRSs") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2009:

- FRS 1 – Presentation of Financial Statements (Revised)
- FRS 108 – Operating Segments (New)

The adoption of the FRSs has no material impact on the financial statements except for FRS 1 the adoption of which has changed the basis for presentation and structure of the financial statements. It does not change the recognition, measurement or disclosure of specific transactions and other events required by other FRSs.

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 2008.

The financial statements are prepared in accordance with FRS.

The following reclassifications have been made.

Some reclassifications have been made to the prior period's statement of comprehensive income to enhance inter-period comparability of information.

Group	<u>Previously reported</u> 1 st Qter 2008 \$'000	<u>Reclassification</u> 1 st Qter 2008 \$'000	<u>After reclassifications</u> 1 st Qter 2008 \$'000
Rental income from investment properties	785	(44)	741
Other income	2	44	46

Certain reclassifications have been made to the prior period's consolidated cash flows to enhance presentation of the nature of the balances. As a result, certain line items on the face of the consolidated cash flow statement have been amended to conform with the current period's presentation.

Group	<u>Previously reported</u> 1 st Qter 2008 \$'000	<u>Reclassification</u> 1 st Qter 2008 \$'000	<u>After reclassifications</u> 1 st Qter 2008 \$'000
<u>Cash and cash equivalents</u>			
Cash on deposit, at banks and in hand	81,930	-	81,930
Statutory deposit with the Monetary Authority of Singapore	41,562	(41,562)	-
Singapore Government securities	<u>193,865</u>	<u>(193,865)</u>	-
	<u>317,357</u>	<u>(235,427)</u>	<u>81,930</u>

3 Review of Performance

The Group's loan assets was \$1,322.9 million as at 31 March 2009, a decrease of 5.01% or \$69.8 million over the loans base of \$1,392.7 million as at 31 December 2008 and a decrease of 2.20% or \$29.8 million over the loans base of \$1,352.7 million as at 31 March 2008.

The Group's profit after tax for the period rose by 46% as compared to the previous period. Interest income and hiring charges have fallen in tandem with the reduced loan base. However, this was more than offset by the lower interest costs and operating expenses, accounting for the increase in the profit. The Group continues to maintain adequate individual and collective provisions in respect of its loan portfolio.

With the adoption of FRS 1, adjustments for the period arising from the revaluation of the Group's available-for-sale (AFS) financial assets and the relevant income tax have been included in the statement of comprehensive income. The Group's AFS financial assets comprise mainly of Singapore Government securities (SGS) which were purchased as part of its liquid assets for purpose of maintaining the minimum liquid assets required under the Finance Companies' Act. The prices of SGS have declined in the quarter accounting for the fair value losses. However, it is unlikely that the fair value losses would have any adverse effect on the financial performance of the Group.

4 Current Year Prospects

The Singapore economy is forecast to contract by 6% to 9% in 2009.

With the worsening economy, the Group will continue to adopt a cautious stance in its lending activities and to strengthen its liquidity and funding position. It will manage its costs prudently to maintain profitability.

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 2008: Nil).

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

	<u>As at 31/03/2009</u>		<u>As at 31/12/2008</u>	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	<u>(\$ '000)</u>	<u>(\$ '000)</u>	<u>(\$ '000)</u>	<u>(\$ '000)</u>
Amount repayable in one year or less , or on demand	-	56,861	-	78,012
Amount repayable after one year	-	8,218	-	8,966

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
8 May 2009

Directors' Confirmation

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the Group's unaudited interim financial results for the quarter ended 31 March 2009 to be false or misleading.

On behalf of the Board of Directors

Lee Sze Leong
Chairman
8 May 2009