

IPC CORPORATION LTD
(Company Registration No. 198501057M)
Full Year Financial Statement & Dividend Announcement

**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.**

**UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR
 ENDED 31 DECEMBER 2008**

	Group		
	2008	2007	Increase/ (decrease)
	S\$'000	Restated S\$'000	(decrease) %
Continuing operations			
Revenue	19,114	24,437	(21.8)
Cost of revenue	(17,569)	(18,452)	(4.8)
Gross profit	1,545	5,985	(74.2)
Other income	1,106	1,329	(16.8)
Other gains/(losses), net	8,360	(160)	NM
Expenses			
Distribution and marketing	(1,053)	(906)	16.2
Administrative	(4,970)	(4,647)	7.0
Finance	(11)	(51)	(78.4)
Other	(343)	(503)	(31.8)
	(6,377)	(6,107)	4.4
Profit before income tax	4,634	1,047	NM
Income tax (expense)/credit	(1,351)	248	NM
Profit from continuing operations	3,283	1,295	NM
Discontinued operations			
Profit from discontinued operations	130	552	(76.4)
Total profit	3,413	1,847	84.8
Attributable to:			
Equity holders of the Company			
- Continuing operations	3,283	1,295	NM
- Discontinued operations	97	388	(75)
Minority interests	33	164	(79.9)
Total profit	3,413	1,847	84.8

The financial figures have been restated due to the divestment of the entire share in a subsidiary, ThinSoft (Holdings) Inc. ("ThinSoft"), which have been reclassified as discontinued operations in both the current and previous financial year.

(i) Total profit is arrived at after charging/(crediting) the following:

	Group		Increase/ (decrease) %
	2008 S\$'000	2007 S\$'000 Restated	
Amortisation of leasehold properties (Note 8)	111	165	(32.7)
Allowance for bad and doubtful debts	1	333	(99.7)
Depreciation	513	511	0.4
Foreign exchange (gain)/loss (Note 9)	(1,753)	407	NM
Gain on disposal of non-current asset, held for sale (Note 3)	(1,494)	-	NM
Gain on disposal of a subsidiary (Note 3)	(9,570)	-	NM
Gain on reduction of interests in former subsidiary	-	(189)	(100.0)
Gain on disposal of financial assets, available-for-sale (Note 10)	(1,757)	(222)	NM
Impairment of property, plant and equipment (Note 11)	172	-	NM
Impairment loss of/(reversal of impairment of) other asset (Note 11)	70	(55)	NM
Impairment of financial assets, available for sale (Note 12)	2,752	-	NM
Interest income (Note 13)	(657)	(1,051)	(37.5)
Loss on liquidation of a subsidiary	(164)	-	NM
Write-down of property developed for sale (Note 11)	839	-	NM
Deposit and prepayment written off (Note 14)	(2,185)	-	NM

Notes

1. Gross profit
The decrease in gross profit was in tandem with the decrease in revenue and lower margin on the sales of property in Zhuhai.
 2. Other income
Other income comprised mainly of interest income.
 3. Other gains/(losses), net
This gain was mainly from the divestment of the entire shares of a subsidiary, Thinsoft and prepaid leasehold property at Xiangzhou Industry, Zhuhai, China.
 4. Distribution and marketing
The increase was attributed to the increase in advertising expenses for the promotion of the property development project.
 5. Finance
The decrease was mainly due to full repayment of a loan facility in Zhuhai.
 6. Expenses - other
The decrease was mainly attributed to the reduction of bad debt expenses.
 7. Taxation
Taxation was mainly related to land appreciation tax in Zhuhai.
 8. The decrease in amortisation was due to the disposal of the leasehold property at Xiangzhou Industry, Zhuhai, China.
 9. The foreign exchange gain was mainly due to the strengthening of the average rate of United States Dollars against the average rate of Singapore Dollars during the financial year ended 2008 as well as the strengthening of the Chinese RMB against the Singapore Dollars compared with the financial year ended 2007. It was mainly unrealized, due to recorded monetary balances denominated in foreign currencies which were adjusted to reflect the exchange rates at the balance sheet date.
 10. This gain was from the disposal of the quoted shares.
 11. These were attributed to write-down of property developed for sale and impairment losses of other asset and property, plant and equipment.
 12. This was due to impairment loss of the quoted shares.
 13. The decrease in interest income was due to the decline in interest rates.
 14. This was due to deposit and prepayment written off relating to property projects.
- NM: Not meaningful
NA: Not applicable

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 Sheets

	<u>Group</u>		<u>Company</u>	
	31 Dec 2008	31 Dec 2007	31 Dec 2008	31 Dec 2007
	S\$'000	Audited S\$'000	S\$'000	Audited S\$'000
ASSETS				
Current assets				
Cash and cash equivalents (i)	56,237	45,500	43,903	21,734
Trade receivables (ii)	6,475	279	21	17
Other receivables (iii)	2,327	1,413	93	233
Inventories	-	58	-	-
Tax recoverable (iv)	1,221	1,962	565	1,323
Properties developed for sale (v)	22,138	20,652	-	-
Property under development (v)	36,000	43,923	-	-
	<u>124,398</u>	<u>113,787</u>	<u>44,582</u>	<u>23,307</u>
Non-current assets				
Financial assets, available-for-sale (vi)	5,128	6,181	1,128	3,143
Other receivables	-	-	75,708	74,671
Other assets (vii)	125	195	-	-
Investment in associated companies	-	-	-	-
Investment in subsidiaries	-	-	31,909	34,732
Prepaid leasehold properties (viii)	6,778	8,229	-	1,809
Land held for development (v)	6,515	16,797	6,515	6,515
Property, plant and equipment	11,053	10,572	146	216
Deferred income tax assets	-	116	-	-
	<u>29,599</u>	<u>42,090</u>	<u>115,406</u>	<u>121,086</u>
Total assets	<u>153,997</u>	<u>155,877</u>	<u>159,988</u>	<u>144,393</u>
LIABILITIES				
Current liabilities				
Trade payables	5,292	5,289	67	67
Other payables	2,917	3,417	634	469
Current income tax liabilities (ix)	1,304	57	36	36
	<u>9,513</u>	<u>8,763</u>	<u>737</u>	<u>572</u>
Non-current liabilities				
Advance deposit (x)	-	3,972	-	-
Total liabilities	<u>9,513</u>	<u>12,735</u>	<u>737</u>	<u>572</u>
NET ASSETS	<u>144,484</u>	<u>143,142</u>	<u>159,251</u>	<u>143,821</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	140,038	140,038	140,038	140,038
Currency translation reserve	(5,378)	(6,323)	-	-
Fair value reserve	269	2	269	(948)
Retained earnings	9,555	7,627	18,944	4,731
	<u>144,484</u>	<u>141,344</u>	<u>159,251</u>	<u>143,821</u>
Minority interests	-	1,798	-	-
Total equity	<u>144,484</u>	<u>143,142</u>	<u>159,251</u>	<u>143,821</u>

Notes

- (i) The movements in cash and cash equivalents were essentially attributed to the proceeds from the divestment of the entire shares in Thinsoft, as well as the proceeds from disposal of the quoted shares, netted off with the disposal of Thinsoft's cash and cash equivalents from the Group.
- (ii) The increase in trade receivables was mainly due to the sale of a property development project in Zhuhai.
- (iii) Other receivables movement was largely related to the interest bearing loan given to a non-related party.
- (iv) The reduction in tax recoverable was due to the refund of tax deducted at source of approximately S\$0.758 million in Singapore. This was offset by prepayments of current period income tax in Zhuhai.
- (v) The movement was mainly due to the sales of property during the financial year.
- (vi) The decrease in financial assets, available-for-sale was mainly attributed to the disposal of investments and the impairment loss on existing investments.
- (vii) The decrease was attributed to the impairment of other assets.
- (viii) The decrease was due to the disposal of a leasehold property in Xiangzhou industry, Zhuhai, China.
- (ix) Current income tax liabilities comprised mainly of land appreciation tax in Zhuhai.
- (x) Advance deposit was taken into account as part of the consideration of the disposal of property under development.

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 Dec 08		As at 31 Dec 07	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
Nil	Nil	Nil	Nil

Amount repayable after one year

As at 31 Dec 08		As at 31 Dec 07	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
Nil	Nil	Nil	Nil

Details of any collateral

NA

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

CONSOLIDATED CASH FLOW STATEMENT

	<u>Group</u>	
	2008 S\$'000	2007 Audited S\$'000
Cash flows from operating activities		
Total profit	3,413	1,847
Adjustments for		
- Income tax expense	1,527	166
- Depreciation	513	511
- Amortisation of prepaid leasehold properties	111	165
- Unrealised translation (gains)/losses	(2,781)	662
- Gain on disposal of a subsidiary	(9,570)	-
- Gain on disposal of non-current assets, held for sale	(1,494)	-
- Gain on disposal of financial assets, available-for-sale	(1,757)	(222)
- Impairment of financial assets, available-for-sale	2,752	114
- Write-down of property developed for sale	839	-
- Impairment of property, plant and equipment	172	-
- Impairment loss of/(reversal of impairment of) other asset	70	(55)
- Gain on reduction of interests in former subsidiary	-	(189)
- Loss on liquidation of a subsidiary	164	-
- Loss on disposal of plant and equipment	32	30
- Interest income	(657)	(1,051)
- Dividend income	(42)	(80)
	(6,708)	1,898
Change in working capital, net of effects from disposal of subsidiary		
- Properties	5,440	11,212
- Inventories	(11)	7
- Trade and other receivables	(5,345)	2,691
- Trade and other payables	1,840	(6,618)
Cash (used in)/provided by operations	(4,784)	9,190
Interest received	542	1,051
Income tax refunded, net	636	284
Net cash (used in)/provided by operating activities	(3,606)	10,525
Cash flows from investing activities		
Purchases of property, plant and equipment	(710)	(260)
Purchases of financial assets, available-for-sale	(7,272)	(2,418)
Proceeds from disposal of a subsidiary, net of cash disposed	10,146	-
Proceeds from disposal of non-current asset held for sale, net	3,303	7,021
Proceeds from disposal of financial assets, available-for-sale	10,110	739
Proceeds from disposal of property, plant and equipment	167	22
Dividends received	42	80
Loan to a non-related party	(1,472)	-
Reduction of interest in former subsidiary, net of cash disposed	-	(238)
Net cash provided by investing activities	14,314	4,946

	<u>Group</u>	
	2008	2007
	S\$'000	Audited S\$'000
Cash flows from financing activities		
Repayment of borrowings	-	(1,974)
Dividends paid to equity holders of the Company	(1,322)	(1,322)
Net cash used in financing activities	<u>(1,322)</u>	<u>(3,296)</u>
Net increase in cash and cash equivalents	9,386	12,175
Cash and cash equivalents at beginning of financial year	45,500	34,134
Effects of currency translation on cash and cash equivalents	1,351	(809)
Cash and cash equivalents at end of financial year	<u>56,237</u>	<u>45,500</u>

Notes:

- (i) The deficit in cash from operations was mainly related to the decrease in revenue and increase in trade receivables that primarily attributable to the sale of property development project in Zhuhai.
- (ii) The impact of the discontinued operations on the cash flows of the Group is as follows:

	31 Dec 2008	31 Dec 2007
	S\$'000	S\$'000
Operating cash outflows	(5,600)	(4,428)
Investing cash inflows/(outflows)	57	(1,251)
Total cash outflows	<u>(5,543)</u>	<u>(5,679)</u>

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 – GROUP	← Attributable to equity holders of the Company →						
	Share capital	Currency translation reserve	Fair value reserve	Retained earnings	Total	Minority interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2008							
Beginning of financial year	140,038	(6,323)	2	7,627	141,344	1,798	143,142
Financial assets, available-for-sale							
- Fair value loss	---	---	(1,443)	---	(1,443)	(140)	(1,583)
- Disposals	---	---	(84)	---	(84)	---	(84)
- Impairment loss transfer to income statement	---	---	1,458	---	1,458	---	1,458
Net currency translation differences	---	(1,798)	---	---	(1,798)	(54)	(1,852)
Release on disposal of subsidiary	---	1,052	336	(130)	1,258	(1,637)	(379)
Release on liquidation of subsidiary	---	1,691	---	---	1,691	---	1,691
Net income/(loss) recognised directly in equity	---	945	267	(130)	1,082	(1,831)	(749)
Net profit	---	---	---	3,380	3,380	33	3,413
Total recognised income/(loss)	---	945	267	3,250	4,462	(1,798)	2,664
Dividends paid	---	---	---	(1,322)	(1,322)	---	(1,322)
End of financial year	140,038	(5,378)	269	9,555	144,484	---	144,484

STATEMENT OF CHANGES IN EQUITY – GROUP	← Attributable to equity holders of the Company →							
	Share capital	Asset revaluation reserve	Currency translation reserve	Fair value reserve	Retained earnings	Total	Minority interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2007								
Beginning of financial year	140,038	1,263	(6,242)	(353)	6,003	140,709	1,688	142,397
Financial assets, available-for-sale								
- Fair value gains	---	---	---	487	---	487	---	487
- Disposals	---	---	---	(132)	---	(132)	---	(132)
Transfer of asset revaluation reserve to retained earnings on disposal of building	---	(1,263)	---	---	1,263	---	---	---
Net currency translation differences	---	---	(81)	---	---	(81)	(54)	(135)
Net income/(loss) recognised directly in equity	---	(1,263)	(81)	355	1,263	274	(54)	220
Net profit	---	---	---	---	1,683	1,683	164	1,847
Total recognised income/(loss)	---	(1,263)	(81)	355	2,946	1,957	110	2,067
Dividends paid	---	---	---	---	(1,322)	(1,322)	---	(1,322)
End of financial year	140,038	---	(6,323)	2	7,627	141,344	1,798	143,142

**STATEMENT OF CHANGES IN EQUITY –
COMPANY**

	Share capital S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
2008				
Beginning of financial year	140,038	(948)	4,731	143,821
Financial assets, available-for-sale				
- Fair value loss	---	(157)	---	(157)
- Impairment loss transfer to income statement	---	1,458	---	1,458
- Disposals	---	(84)	---	(84)
Net income recognised directly in equity	---	1,217	---	1,217
Net profit	---	---	15,535	15,535
Total recognised income	---	1,217	15,535	16,752
Dividends paid	---	---	(1,322)	(1,322)
End of financial year	140,038	269	18,944	159,251

**STATEMENT OF CHANGES IN
EQUITY – COMPANY**

	Share capital S\$'000	Asset revaluation reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
2007					
Beginning of financial year	140,038	1,263	(353)	3,524	144,472
Financial assets, available-for-sale					
- Fair value loss	---	---	(463)	---	(463)
- Disposals	---	---	(132)	---	(132)
Transfer of asset revaluation reserve to retained earnings on disposal of building	---	(1,263)	---	1,263	---
Net income/(loss) recognised directly in equity	---	(1,263)	(595)	1,263	(595)
Net profit	---	---	---	1,266	1,266
Total recognised income/(loss)	---	(1,263)	(595)	2,529	671
Dividends paid	---	---	---	(1,322)	(1,322)
End of financial year	140,038	---	(948)	4,731	143,821

- 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.**

SHARE OPTIONS AS AT 31 DEC 2008

	Options as at 1 Jan 08	Lapsed	Options as at 31 Dec 08
ESOS Grant 1999	249,250	(75,000)	174,250
ESOS Grant 2001	225,000	(75,000)	150,000
ESOS Grant 2002	1,037,500	(62,500)	975,000
TOTAL	<u>1,511,750</u>	<u>(212,500)</u>	<u>1,299,250</u>

SHARE OPTIONS AS AT 31 DEC 2007

	Options as at 1 Jan 07	Lapsed	Options as at 31 Dec 07
ESOS Grant 1999	249,250	---	249,250
ESOS Grant 2001	225,000	---	225,000
ESOS Grant 2002	500,000	(500,000)	---
ESOS Grant 2002	1,037,500	---	1,037,500
TOTAL	<u>2,011,750</u>	<u>(500,000)</u>	<u>1,511,750</u>

- 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.**

The total number of issued shares as at 31 December 2008 was 528,613,759 (31 December 2007: 528,613,759). The Group and Company have no treasury share for both years.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

The Group and Company have no treasury share.

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

The figures have not been audited or reviewed by the Company's auditor.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 same accounting policies and methods of computations are adopted in the financial statements as compared with the audited financial statements as at 31 December 2007 except for the adoption of new or amended FRS and Interpretations to FRS ("INT FRS"), which took effect from financial year beginning and or after 1 January 2008 (please refer to item 5 below).

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.

On 1 January 2008, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following is the new INT FRS that is relevant to the Group:
INT FRS 111 Group and Treasury Share Transactions

In addition, amendments to FRS 39 – Financial Instruments: Recognition and Measurement and FRS 107 – Financial Instruments: Disclosures – Reclassifications of Financial Assets, were adopted by the Group with effect from 1 July 2008.

The adoption of the above amended FRS or INT FRS did not result in any substantial changes to the Group's accounting policies nor any significant impact on these financial statements.

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.

GROUP
31 Dec 08 31 Dec 07

Earnings/(loss) per ordinary share of the Group for the year, after deducting any provision for preference dividends:-

Continuing and discontinued operations

(i) Based on the weighted average number of ordinary shares on issue (in cents)	0.64	0.32
(ii) On a fully diluted basis (in cents)	0.64	0.32

Continuing operations

(i) Based on the weighted average number of ordinary shares on issue (in cents)	0.62	0.24
(ii) On a fully diluted basis (in cents)	0.62	0.24

Note

The basic and diluted earnings per share calculation as at 31 December 2008 are based on the number of shares of 528,613,759 (31 December 2007: 528,613,759).

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year.

	GROUP		COMPANY	
	31 Dec 2008	31 Dec 2007 Audited	31 Dec 2008	31 Dec 2007 Audited
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares at the end of the financial period/year:-	27.33 cents	26.74cents	30.13 cents	27.21cents
Number of existing issued shares excluding treasury shares at end of the financial period/year:	528,613,759	528,613,759	528,613,759	528,613,759

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) 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; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Group revenue decreased by 21.8 per cent to S\$19.114 million for the financial year ended 31 December 2008 when compared to S\$24.437 million recorded for the previous financial year.

The decline in Group revenue was attributed primarily to slower sales of the Zhuhai Property amid the global economic crisis which has negatively impacted the market sentiment of the property market in the PRC.

The financial performances from the IT business, ThinSoft, have been restated and reclassified as discontinued operations in both the current and previous financial year following the divestment of the entire shareholding on 14 July 2008.

Other income of S\$1.106 million recorded in the period under review was mainly derived from interest income.

Other gains of S\$8.360 million recorded in the period under review was mainly derived from gains from the divestment of the entire shares of a subsidiary, ThinSoft, prepaid leasehold property at Xiangzhou industry, Zhuhai, China, and quoted shares, less impairments of financial assets, available-for-sale and property plant and equipment, and write-down of property developed for sale, details of which may be read from 1(a)(i).

The Group registered an after-tax profit attributable to shareholders of S\$ 3.413 million for the financial year ended 31 December 2008.

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

No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and 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.

Given the unfavourable property market condition and adverse global economic environment, the Group has suspended the property project in Bangkok and terminated the property project in Yantai, both of which were previously announced on 17 October 2008 and 10 November 2008 respectively.

With its net cash position, and no debt, the Group will seek out investment opportunities in particular property projects in the region that will synergise with the Group's property development objective.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	First & Final (tax exempt)
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.25
Tax Rate	0

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	First & Final (tax exempt)
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.25
Tax Rate	0

(c) Date payable

To be decided later.

(d) Books closure date

To be decided later.

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

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

(a) Primary reporting format - business segments

<u>Group</u>	<u>Properties</u> \$'000	<u>Other</u> \$'000	<u>Total for continuing operations</u> \$'000	<u>Discontinued operations – Thin Computing</u> \$'000
Financial year ended 31 December 2008				
Sales				
- external sales	19,114	-	19,114	1,584
- other income	237	-	237	-
	<u>19,351</u>	<u>-</u>	<u>19,351</u>	<u>1,584</u>
Unallocated other income			869	58
			<u>20,220</u>	<u>1,642</u>
Segment result			4,645	306
Finance expenses			(11)	-
Profit before income tax			<u>4,634</u>	<u>306</u>
Income tax expense			(1,351)	(176)
Total profit			<u>3,283</u>	<u>130</u>
Other segment items				
Capital expenditure				
- property, plant and equipment	706	4	710	-
Depreciation	396	117	513	-
Amortisation	111	-	111	-
Write-down of property developed for sale	839	-	839	-
Impairment of property, plant and equipment	172	-	172	-
Impairment loss of other asset	-	70	70	-
Impairment of financial assets, available for sale	416	2,336	2,752	-
Other non-cash expenses	-	1	1	-
			<u>1</u>	<u>-</u>
	<u>Properties</u> \$'000	<u>Other</u> \$'000	<u>Eliminations</u> \$'000	<u>Total consolidated</u> \$'000
Segment assets	115,450	130,811	(93,485)	152,776
Unallocated assets				<u>1,221</u>
Consolidated total assets				<u>153,997</u>
Segment liabilities	89,457	95,571	(176,819)	8,209
Unallocated liabilities				<u>1,304</u>
Consolidated total liabilities				<u>9,513</u>

(a) Primary reporting format - business segments (continued)

<u>Group</u>	<u>Properties</u> \$'000	<u>Other</u> \$'000	<u>Total for continuing operations</u> \$'000	<u>Thin Computing</u> \$'000	<u>Education</u> \$'000	<u>Total for discontinued operations</u> \$'000
Financial year ended 31 December 2007						
Sales						
- external sales	24,310	127	24,437	3,293	406	3,699
- other income	183	175	358	-	-	-
	<u>24,493</u>	<u>302</u>	<u>24,795</u>	<u>3,293</u>	<u>406</u>	<u>3,699</u>
Unallocated other income			971			268
			<u>25,766</u>			<u>3,967</u>
Segment result	2,824	(1,726)	1,098	985	(19)	966
Finance expenses			(51)			-
Profit before income tax			1,047			966
Income tax credit/(expense)			248			(414)
Total profit			<u>1,295</u>			<u>552</u>
Other segment items						
Capital expenditure						
- property, plant and equipment	236	14	250	-	10	10
Depreciation	393	118	511	-	-	-
Amortisation	107	58	165	-	-	-
Impairment of financial assets, available for sale	-	-	-	114	-	114
Reversal of impairment of other asset	-	(55)	(55)	-	-	-
Other non-cash expenses	-	333	333	-	-	-

	<u>Properties</u> \$'000	<u>Other</u> \$'000	<u>Eliminations</u> \$'000	<u>Total consolidated</u> \$'000
Segment assets	122,017	111,918	(87,674)	146,261
Unallocated assets				1,962
				<u>148,223</u>
Disposal group				7,654
- Thin Computing				<u>7,654</u>
Consolidated total assets				<u>155,877</u>
Segment liabilities	94,083	94,932	(176,831)	12,184
Unallocated liabilities				36
				<u>12,220</u>
Liabilities associated with disposal group				515
- Thin Computing				<u>515</u>
Consolidated total liabilities				<u>12,735</u>

(b) Secondary reporting format - geographical segments (continued)

	<u>Sales for continuing operations</u>		<u>Sales for discontinued operations</u>		<u>Total consolidated sales</u>	
	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Asia Pacific	19,114	24,437	192	800	19,306	25,237
United States of America	-	-	536	1,194	536	1,194
Europe	-	-	814	1,555	814	1,555
Other countries	-	-	42	150	42	150
	<u>19,114</u>	<u>24,437</u>	<u>1,584</u>	<u>3,699</u>	<u>20,698</u>	<u>28,136</u>

	<u>Total consolidated assets</u>	
	2008	2007
	\$'000	\$'000
Asia Pacific	152,776	152,319
United States of America	-	1,480
	<u>152,776</u>	<u>153,799</u>
Unallocated assets	1,221	2,078
	<u>153,997</u>	<u>155,877</u>

	<u>Capital expenditure for continuing operations</u>		<u>Capital expenditure for discontinued operations</u>		<u>Total consolidated capital expenditure</u>	
	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Asia Pacific	710	250	-	10	710	260

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

There are no material changes in contributions to turnover by the business or geographical segments.

15. A breakdown of sales.

	2008	Group	Increase/ (Decrease)
		2007	
	S\$'000	Restated S\$'000	%
15(a) Sales reported for first half year	6,272	18,742	(66.5)
15(b) Operating profit after-tax before deducting minority interest for first half year	1,349	2,121	(36.4)
15(c) Sales reported for second half year	12,842	5,695	NM
15(d) Operating profit after-tax before deducting minority interest for second half year	1,934	(826)	NM

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Tax Exempt Dividend proposed by Board: S\$1.32 million (2007: S\$1.32 million).

17. Interested Person Transactions.

Name of Interested Person	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)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
NIL	NIL	NIL

BY ORDER OF THE BOARD

Law Hui Kian
Director
4 February 2009