



Keppel Telecommunications
& Transportation Ltd
(Co Reg No. 196500115G)
7 Gul Circle
Singapore 629563

Tel : (65) 6897 7372
Fax : (65) 6897 7872

PRESS RELEASE

KEPPEL TELECOMMUNICATIONS & TRANSPORTATION LTD UNAUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

20 January 2010

The Directors of Keppel Telecommunications & Transportation Ltd advise the following results of the Company and of the Group for the year ended 31 December 2009.

These figures have not been audited.

For more information, please contact:

Mr Say Huan Yuan
Executive
Group Corporate Communications
Keppel Corporation Limited
Tel: (65) 6413-6297
Email: huanyuan.say@kepcorp.com

This press release is also available at www.kepcorp.com and
www.keppeltt.com.sg

KEPPEL TELECOMMUNICATIONS & TRANSPORTATION LTD

(Co Reg No: 196500115G)

Full Year Financial Statements And Dividend Announcement

1 UNAUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

The Directors of **Keppel Telecommunications & Transportation Ltd** advise the following unaudited results of the Group for the year ended 31 December 2009.

1(a) CONSOLIDATED PROFIT AND LOSS ACCOUNTS for the year ended 31 December 2009

	Group		
	2009 \$'000	2008 \$'000	+ / (-) %
REVENUE	113,336	128,868	(12.1)
Less operating expenses	<u>(105,027)</u>	<u>(117,980)</u>	(11.0)
OPERATING PROFIT	8,309	10,888	(23.7)
Interest income	1,430	1,948	(26.6)
Interest expense	(3,007)	(2,574)	16.8
Share of results of associated companies and jointly controlled entity	<u>58,523</u>	<u>56,227</u>	4.1
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	65,255	66,489	(1.9)
Exceptional items	<u>(8,596)</u>	<u>(3,491)</u>	146.2
PROFIT BEFORE TAXATION	56,659	62,998	(10.1)
Taxation	<u>(8,994)</u>	<u>(7,998)</u>	12.5
PROFIT FOR THE YEAR	<u>47,665</u>	<u>55,000</u>	(13.3)
Attributable to:			
Shareholders of the Company			
Profit before exceptional items	52,915	55,492	(4.6)
Exceptional items	<u>(8,307)</u>	<u>(3,467)</u>	139.6
	44,608	52,025	(14.3)
Minority interests	<u>3,057</u>	<u>2,975</u>	2.8
	<u>47,665</u>	<u>55,000</u>	(13.3)
Earnings per share			
Before exceptional items			
- basic	9.6 cts	10.1 cts	(5.0)
- diluted	9.6 cts	10.0 cts	(4.0)
After exceptional items			
- basic	8.1 cts	9.4 cts	(13.8)
- diluted	8.1 cts	9.4 cts	(13.8)

Notes to Group Profit and Loss Accounts

(i) Operating expenses comprise the following:

	Group		
	2009	2008	+ / (-)
	\$'000	\$'000	%
Purchase of goods and services	39,781	49,751	(20.0)
Staff costs	34,128	37,623	(9.3)
Share-based payment expenses	1,276	1,673	(23.7)
Depreciation of fixed assets	6,328	6,515	(2.9)
Other operating expenses	<u>23,514</u>	<u>22,418</u>	4.9
	<u>105,027</u>	<u>117,980</u>	(11.0)

(ii) Operating profit is arrived at after charging/(crediting) the following:

	Group		
	2009	2008	+ / (-)
	\$'000	\$'000	%
Provision for/(write-back of) doubtful debts and bad debts recovered	125	(594)	n.m.
Provision for stock obsolescence	219	224	(2.2)
Foreign exchange loss	200	55	263.6
Profit on disposal of fixed assets	(10)	(148)	(93.2)

n.m. – not meaningful

(iii) Taxation in 2009 included write-back of provision of taxation and deferred taxation of \$286,000 (2008: \$46,000) and \$1,440,000 (2008: \$269,000) respectively for prior years. Tax assets recognised under the Group Relief System was \$875,000 (2008: \$1,425,000). In the previous year, taxation had included share of deferred tax asset of \$3,501,000 from unutilised tax losses of an associated company.

(iv) Exceptional items consist of:

	Group	
	2009	2008
	\$'000	\$'000
Loss on disposal of subsidiaries, associated companies and other investments	(515)	(124)
Loss on capital reduction of a subsidiary	-	(769)
Impairment loss in value of investments and write-back of provision for equity advances	(4,009)	(2,693)
Impairment of fixed assets	(700)	-
(Provision for)/write-back of restructuring expenses	<u>(3,372)</u>	<u>95</u>
	<u>(8,596)</u>	<u>(3,491)</u>
Minority share of exceptional items	<u>289</u>	<u>24</u>
	<u>(8,307)</u>	<u>(3,467)</u>

(v) There was no extraordinary item during the year.

1(b)(i) BALANCE SHEETS as at 31 December 2009

	Group		Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
SHARE CAPITAL	73,673	73,651	73,673	73,651
RESERVES	222,234	203,065	60,757	68,205
SHARE CAPITAL AND RESERVES	<u>295,907</u>	<u>276,716</u>	<u>134,430</u>	<u>141,856</u>
MINORITY INTERESTS	<u>26,090</u>	<u>29,357</u>	-	-
CAPITAL EMPLOYED	<u>321,997</u>	<u>306,073</u>	<u>134,430</u>	<u>141,856</u>
Represented by:				
FIXED ASSETS	146,456	126,637	-	-
INVESTMENTS				
Subsidiaries	-	-	68,677	73,852
Associated companies and jointly controlled entity	303,383	285,429	6,621	6,621
Others	10,327	14,734	-	-
	<u>313,710</u>	<u>300,163</u>	<u>75,298</u>	<u>80,473</u>
CURRENT ASSETS				
Stocks and work-in-progress	2,264	3,732	-	-
Debtors	24,330	42,819	107	106
Amounts owing by holding and related companies	2,211	9,332	48,257	55,079
Amounts owing by associated companies	13,251	10,862	-	-
Fixed deposits	63,102	43,744	11,287	9,793
Bank balances and cash	7,911	9,249	21	55
	<u>113,069</u>	<u>119,738</u>	<u>59,672</u>	<u>65,033</u>
LESS: CURRENT LIABILITIES				
Creditors	42,455	49,791	495	577
Amounts owing to holding and related companies	517	872	37	3,055
Amounts owing to associated companies	188	218	-	-
Short-term borrowings	58,399	53,069	-	-
Taxation	822	1,468	8	18
	<u>102,381</u>	<u>105,418</u>	<u>540</u>	<u>3,650</u>
NET CURRENT ASSETS	<u>10,688</u>	<u>14,320</u>	<u>59,132</u>	<u>61,383</u>
NON-CURRENT LIABILITIES				
Long-term borrowings	148,000	134,000	-	-
Deferred taxation	857	1,047	-	-
	<u>148,857</u>	<u>135,047</u>	-	-
NET ASSETS	<u>321,997</u>	<u>306,073</u>	<u>134,430</u>	<u>141,856</u>

1(b)(ii) GROUP'S BORROWINGS AND DEBT SECURITIES

Amount repayable in one year or less, or on demand

As at 31 Dec 2009		As at 31 Dec 2008	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
-	58,399	-	53,069

Amount repayable after one year

As at 31 Dec 2009		As at 31 Dec 2008	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
-	148,000	-	134,000

Details of any collateral

Not applicable

1(b)(iii) BALANCE SHEET ANALYSIS

Group shareholders' fund increased \$19.2 million to \$295.9 million at 31 December 2009. The increase was mainly attributable to retained profits for the year, partly offset by payment of dividend in respect of financial year 2008 and reduction in translation reserve.

Group total assets of \$573.2 million as at 31 December 2009 was \$26.7 million higher than 31 December 2008. Fixed assets increased \$19.8 million mainly due to capital expenditure for the fitting-out of data centre in Singapore. Investments in associated companies and jointly controlled entity increased \$18.0 million due to equity accounting for share of profits and acquisition of a 40% stake in Indo-Trans Keppel Logistics Vietnam, partly offset by dividends received. Other investments decreased by \$4.4 million to \$10.3 million as a result of fair value adjustments. Current assets reduced \$6.7 million to \$113.1 million largely because of payments received from debtors and related companies, set-off partly by increased in fixed deposits.

Group total liabilities increased \$10.8 million to \$251.2 million mainly due to higher borrowings set-off partly by reduction in creditors. Total borrowings increased \$19.3 million to \$206.4 million as at 31 December 2009 mainly due to loan obtained for the fit-out of the data centre.

**1(c) CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2009**

	2009 \$'000	2008 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating profit	8,309	10,888
Adjustments for non-cash items:		
Depreciation of fixed assets	6,328	6,515
Gain on disposal of fixed assets	(10)	(148)
Share-based payment expense	1,276	1,673
Gain on dilution of associated companies	(38)	(362)
Translation of foreign companies	(1,871)	2,336
	<u>13,994</u>	<u>20,902</u>
Operating cash flows before changes in working capital		
Working capital changes:		
Stocks	1,445	(1,388)
Debtors	22,779	(4,458)
Creditors	(8,472)	7,365
	<u>29,746</u>	<u>22,421</u>
Cash flows from operations		
Interest received	1,310	2,140
Interest paid	(3,066)	(2,757)
Income taxes paid	(1,739)	(307)
Proceeds from tax losses transferred under group relief system	602	567
Staff compensation and restructuring expenses	(699)	(108)
	<u>26,154</u>	<u>21,956</u>
NET CASH FROM OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of a subsidiary (Note A)	(585)	-
Acquisition of further shares in a subsidiary	(150)	-
Purchase of other investment	(230)	(138)
Investment in associated companies	(2,646)	(7,692)
Capital distribution from an associated company	-	27
Return of capital from other investments	-	542
Proceeds from disposal of other investment	-	8
Acquisition of fixed assets	(29,759)	(8,345)
Proceeds from disposal of fixed assets	170	749
Dividends received from investments	28,210	28,422
	<u>(4,990)</u>	<u>13,573</u>
NET CASH (USED IN)/FROM INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from share issues	22	1,539
Proceeds from/(repayment of) short-term loans	5,330	(16,429)
Proceeds from long-term loans	14,000	7,250
Funds (to)/from associated companies	(1,311)	265
Dividends paid to shareholders of the company	(16,568)	(33,109)
Dividends paid to minority shareholders of subsidiaries	(4,617)	(9,401)
	<u>(3,144)</u>	<u>(49,885)</u>
NET CASH USED IN FINANCING ACTIVITIES		
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	18,020	(14,356)
Cash and cash equivalents as at 1 January	<u>52,993</u>	<u>67,349</u>
Cash and cash equivalents as at 31 December (Note B)	<u>71,013</u>	<u>52,993</u>

Notes to Consolidated Statement of Cash Flows

A. Disposal of Subsidiary

During the financial year, the fair values of net assets and liabilities of subsidiary disposed were as follows:

	2009 \$'000	2008 \$'000
Fixed assets	(84)	-
Stocks, debtors and creditors	(444)	-
Bank balances and cash	(585)	-
Exchange equalisation	(772)	-
Minority interests	1,370	-
	<u>(515)</u>	<u>-</u>
Net loss on disposal	515	-
Sale proceeds	-	-
	<u>585</u>	<u>-</u>
Add: Bank balances and cash disposed	585	-
	<u>585</u>	<u>-</u>
Net cash outflow on disposal, net of cash disposed	<u>585</u>	<u>-</u>

B. Cash and Cash Equivalents

Cash and cash equivalents consist of fixed deposits, bank balances and cash. Cash and cash equivalents in the consolidated cash flow statement comprise the following balance sheet amounts:

	2009 \$'000	2008 \$'000
Fixed deposits	63,102	43,744
Bank balances and cash	7,911	9,249
	<u>71,013</u>	<u>52,993</u>

1(c)(i) Cash flow Analysis

The Group's net cash from operating activities for the year was \$26.2 million compared to \$22.0 million in 2008. While there were higher net interest and taxation expenses, the improvement was due mainly to higher cash flows from operations as a result of improved working capital changes.

Net cash used in investing activities for the year was \$5.0 million due mainly to cash used in acquisitions of fixed assets and fit-out for data centre as well as a stake in an associated company, partly offset by dividends received from associated companies.

Net cash used in financing activities for the year was \$3.1 million mainly due to payment of dividends to the shareholders of the company and minority shareholders of subsidiaries, which was partly offset by proceeds from term loans. In the previous year, net cash used was higher at \$49.9 million owing to higher payment of dividends and repayment of term loans.

**1(d) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2009**

	2009 \$'000	2008 \$'000
Profit for the year	47,665	55,000
Net fair value changes on available-for-sale financial assets	(3,718)	(2,978)
Fair value loss on available-for-sale financial assets realised and transferred to profit & loss account	3,887	2,557
Exchange differences arising on consolidation	(11,941)	10,186
Foreign currency translation reserve realised and transferred to profit & loss account	1,539	289
Share of other comprehensive income of associated companies	439	(204)
Other comprehensive income for the year, net of tax	(9,794)	9,850
Total comprehensive income for the year	<u>37,871</u>	<u>64,850</u>
Attributable to:		
Shareholders of the Company	34,889	60,610
Minority interests	2,982	4,240
	<u>37,871</u>	<u>64,850</u>

**1(e)(i) STATEMENTS OF CHANGES IN EQUITY
for the year ended 31 December 2009**

	Share Capital \$'000	Capital Reserves \$'000	Revenue Reserves \$'000	Foreign Currency Translation Reserves \$'000	Share Capital & Reserves \$'000	Minority Interests \$'000	Capital Employed \$'000
<u>The Group</u>							
Balance at 1 January 2009	73,651	9,375	196,653	(2,963)	276,716	29,357	306,073
Total comprehensive income for the year	-	608	44,608	(10,327)	34,889	2,982	37,871
Issue of shares	22	-	-	-	22	-	22
Cost of share-based payment	-	848	-	-	848	-	848
Transfer from capital reserves to revenue reserves	-	(1,299)	1,299	-	-	-	-
Transfer from revenue reserves to capital reserves	-	594	(594)	-	-	-	-
Dividends paid to minority shareholders	-	-	-	-	-	(4,617)	(4,617)
Acquisition of additional interest in a subsidiary	-	-	-	-	-	(262)	(262)
Disposal of subsidiaries	-	-	-	-	-	(1,370)	(1,370)
Dividend paid for 2008	-	-	(16,568)	-	(16,568)	-	(16,568)
Balance at 31 December 2009	<u>73,673</u>	<u>10,126</u>	<u>225,398</u>	<u>(13,290)</u>	<u>295,907</u>	<u>26,090</u>	<u>321,997</u>
Balance at 1 January 2008	72,112	8,094	178,456	(12,173)	246,489	34,498	280,987
Total comprehensive income for the year	-	(625)	52,025	9,210	60,610	4,240	64,850
Issue of shares	1,539	-	-	-	1,539	-	1,539
Cost of share-based payment	-	1,187	-	-	1,187	-	1,187
Transfer from revenue reserves to capital reserves	-	719	(719)	-	-	-	-
Disposal of subsidiary	-	-	-	-	-	20	20
Dividend paid to minority shareholders	-	-	-	-	-	(9,401)	(9,401)
Dividend paid for 2007	-	-	(33,109)	-	(33,109)	-	(33,109)
Balance at 31 December 2008	<u>73,651</u>	<u>9,375</u>	<u>196,653</u>	<u>(2,963)</u>	<u>276,716</u>	<u>29,357</u>	<u>306,073</u>

	Share Capital \$'000	Capital Reserves \$'000	Revenue Reserves \$'000	Total \$'000
<u>The Company</u>				
Balance at 1 January 2009	73,651	2,629	65,576	141,856
Profit (comprehensive income) for the year	-	-	8,272	8,272
Issue of shares	22	-	-	22
Cost of share-based payment	-	848	-	848
Dividend paid for 2008	-	-	(16,568)	(16,568)
	<u>73,673</u>	<u>3,477</u>	<u>57,280</u>	<u>134,430</u>
Balance at 31 December 2009				
Balance at 1 January 2008	72,112	1,442	93,255	166,809
Profit (comprehensive income) for the year	-	-	5,430	5,430
Issue of shares	1,539	-	-	1,539
Cost of share-based payment	-	1,187	-	1,187
Dividend paid for 2007	-	-	(33,109)	(33,109)
	<u>73,651</u>	<u>2,629</u>	<u>65,576</u>	<u>141,856</u>
Balance at 31 December 2008				

1(e)(ii) SHARE CAPITAL

During the financial year, the Company issued 27,000 ordinary shares upon the exercise of share options granted under the Company's Share Option Scheme. The share capital of the Company as at the end of the financial year was 552,277,537 (2008: 552,250,537) shares.

At 31 December 2009, there were unexercised options for 2,806,000 (2008: 1,983,000) of unissued ordinary shares under the Company's Share Option Scheme.

2. AUDIT

The financial statements have not been audited nor reviewed by our auditors.

3. AUDITORS' REPORT

Not applicable

4. ACCOUNTING POLICIES

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year compared with those of the audited financial statements as at 31 December 2008, except as disclosed in paragraph 5 below.

5. CHANGES IN ACCOUNTING POLICIES

The Group has adopted all new and revised Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2009. The FRS that are relevant to the Group include FRS 1 Presentation of Financial Statements – Revised Presentation, Amendments to FRS 23 – Borrowing Costs, Amendments to FRS 107 Financial Instruments – Improving Disclosures about Financial Instruments and FRS 108 Operating Segments. The adoption of these new/revised FRS and INT FRS does not result in substantial change to the Group's and Company's accounting policies or have any significant impact on the financial statements.

6. EARNINGS PER ORDINARY SHARE

	GROUP		
	2009	2008	+/(-)%
Earnings per ordinary share of the Group based on net profit attributable to shareholders:-			
(i) Based on the weighted average number of shares (cents)	8.1	9.4	(13.8)
- Weighted average number of shares ('000)	552,258	551,966	0.1
(ii) On a fully diluted basis (cents)	8.1	9.4	(13.8)
- Adjusted weighted average number of shares ('000)	552,391	552,545	*

* Denotes less than 0.1%

7. NET ASSET VALUE

	GROUP			COMPANY		
	2009	2008	+/(-)%	2009	2008	+/(-)%
Net asset value per ordinary share based on issued share capital at the end of the financial year (\$)	0.54	0.50	8.0	0.24	0.26	(7.7)

8. REVIEW OF GROUP PERFORMANCE

Group revenue decreased 12% in 2009 to \$113.3 million due mainly to lower logistics revenue in Singapore and the winding down of the Network Engineering business. Nonetheless, revenue from logistics activities in China continued to show healthy improvements. The Group has further expanded its Data Centre business.

Profit before tax and exceptional items was \$65.3 million due to lower operating profit. However, share of contributions from associated companies improved 4% to \$58.5 million.

Group profit after tax was 13% lower at \$47.7 million due to impairment in value of investments and provision for restructuring costs.

In the opinion of the Directors, no factors have arisen between the end of the financial year and the date of this report which would materially affect the results of the Group and the Company for the year just ended.

9. VARIANCE FROM PROSPECTS STATEMENT

No variance from previous statement.

10. PROSPECTS

Logistics operations are expected to benefit from the improved economic outlook. In Singapore, the Group will redevelop its logistics assets to maximise returns. The Group currently enjoys a strong position in Foshan and looks forward to expand its warehouse and distribution business in the region. In addition, it is looking to deepen its logistics operations in Vietnam.

The Group's data centre in Singapore has commenced operations and currently serves a number of blue-chip customers. Data centre in Ireland continues to enjoy full occupancy. Demand for data centres continues to hold up well.

The Group continues to remain prudent in managing costs and improving operational efficiency, while seeking growth opportunities.

11. DIVIDENDS

(a) Current Financial Period Reported On

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

Directors are pleased to recommend a first and final dividend of 3.0 cents per share tax exempt one-tier (2008: 3.0 cents per share tax exempt one-tier) in respect of the financial year ended 31 December 2009 for approval by shareholders at the next Annual General Meeting to be convened.

Name of Dividend	Final
Dividend Type	Cash
Dividend per share (cents)	3.0
Tax rate	Tax-exempt (one-tier)

(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	Final
Dividend Type	Cash
Dividend per share (cents)	3.0
Tax rate	Tax-exempt (one-tier)

(c) Date Payable

The proposed first and final dividend if approved at the Annual General Meeting, tentatively scheduled to be held on 21 April 2010, will be paid on 7 May 2010.

(d) Books Closure Date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 28 April 2010 for the preparation of dividend warrants. Duly completed transfers in respect of ordinary shares in the capital of the Company ("Shares") received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 3 Church Street #08-01 Samsung Hub, Singapore 049483 up to 5.00 p.m. on 27 April 2010 will be registered to determine members' entitlement to the proposed first and final dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with Shares at 5.00 p.m. on 27 April 2010 will be entitled to the proposed first and final dividend.

12. SEGMENT ANALYSIS

2009

Business Segments

	Logistics \$'000	Data Centre & Networks \$'000	Investments \$'000	Adjustments/ Eliminations \$'000	Consolidated Total \$'000
<u>Revenue</u>					
External sales	92,003	21,327	6	-	113,336
Inter-segment sales	3,780	209	-	(3,989)	-
Total	<u>95,783</u>	<u>21,536</u>	<u>6</u>	<u>(3,989)</u>	<u>113,336</u>
<u>Segment results</u>					
Operating profit/(loss)	12,964	694	(5,349)		8,309
Interest income	1,270	85	75		1,430
Interest expense	(752)	(79)	(2,176)		(3,007)
Share of results of associated companies and jointly controlled entity	<u>10,462</u>	<u>10,195</u>	<u>37,866</u>		<u>58,523</u>
Profit before tax and exceptional items	23,944	10,895	30,416		65,255
Exceptional items	<u>(1,159)</u>	<u>(3,045)</u>	<u>(4,392)</u>		<u>(8,596)</u>
Profit before taxation	22,785	7,850	26,024		56,659
Taxation	<u>(2,172)</u>	<u>(1,571)</u>	<u>(5,251)</u>		<u>(8,994)</u>
Profit for the year	<u>20,613</u>	<u>6,279</u>	<u>20,773</u>		<u>47,665</u>
Attributable to:					
Shareholders of the Company					
Profit before exceptional items	19,047	8,677	25,191		52,915
Exceptional items	<u>(870)</u>	<u>(3,045)</u>	<u>(4,392)</u>		<u>(8,307)</u>
Minority interests	<u>18,177</u>	<u>5,632</u>	<u>20,799</u>		<u>44,608</u>
	<u>2,436</u>	<u>647</u>	<u>(26)</u>		<u>3,057</u>
	<u>20,613</u>	<u>6,279</u>	<u>20,773</u>		<u>47,665</u>

	Logistics \$'000	Data Centre & Networks \$'000	Investments \$'000	Adjustments/ Eliminations \$'000	Consolidated Total \$'000
<u>Other Information</u>					
Segment assets	265,042	126,946	305,583	(124,336)	573,235
Segment liabilities	(125,819)	(83,155)	(166,600)	124,336	(251,238)
Net assets	<u>139,223</u>	<u>43,791</u>	<u>138,983</u>	<u>-</u>	<u>321,997</u>

Investment in associated companies and jointly controlled entity	56,874	75,308	171,201		303,383
Additions to non-current assets	7,654	24,749	232		32,635
Depreciation	5,660	381	287		6,328
Impairment losses	400	-	4,392		4,792

Geographical Information

	Singapore \$'000	Far East and ASEAN other than Singapore \$'000	Others \$'000	Consolidated Total \$'000
External sales	69,248	37,384	6,704	113,336
Non-current assets	285,398	122,923	51,845	460,166

2008

Business Segments

	Logistics \$'000	Data Centre & Networks \$'000	Investments \$'000	Adjustments/ Eliminations \$'000	Consolidated Total \$'000
<u>Revenue</u>					
External sales	101,014	27,355	499	-	128,868
Inter-segment sales	6,978	1,833	-	(8,811)	-
Total	<u>107,992</u>	<u>29,188</u>	<u>499</u>	<u>(8,811)</u>	<u>128,868</u>

Segment results

Operating profit/(loss)	11,405	358	(875)		10,888
Interest income	1,387	350	211		1,948
Interest expense	(807)	(6)	(1,761)		(2,574)
Share of results of associated companies and jointly controlled entity	8,275	7,758	40,194		56,227
Profit before tax and exceptional items	20,260	8,460	37,769		66,489
Exceptional items	(9)	(868)	(2,614)		(3,491)
Profit before taxation	20,251	7,592	35,155		62,998
Taxation	(1,047)	2,106	(9,057)		(7,998)
Profit for the year	<u>19,204</u>	<u>9,698</u>	<u>26,098</u>		<u>55,000</u>

Attributable to:

Shareholders of the Company

Profit before exceptional items	16,752	9,946	28,794		55,492
Exceptional items	6	(859)	(2,614)		(3,467)
Minority interests	16,758	9,087	26,180		52,025
	2,446	611	(82)		2,975
	<u>19,204</u>	<u>9,698</u>	<u>26,098</u>		<u>55,000</u>

	Logistics \$'000	Data Centre & Networks \$'000	Investments \$'000	Adjustments/ Eliminations \$'000	Consolidated Total \$'000
<u>Other Information</u>					
Segment assets	265,066	96,814	273,699	(89,041)	546,538
Segment liabilities	(134,323)	(28,763)	(166,420)	89,041	(240,465)
Net assets	<u>130,743</u>	<u>68,051</u>	<u>107,279</u>	<u>-</u>	<u>306,073</u>
Investment in associated companies and jointly controlled entity	50,365	71,308	163,756		285,429
Additions to non-current assets	12,459	277	3,439		16,175
Depreciation	5,689	537	289		6,515
Impairment losses	-	-	2,733		2,733

Geographical Information

	Singapore \$'000	Far East and ASEAN other than Singapore \$'000	Others \$'000	Consolidated Total \$'000
External sales	82,193	37,456	9,219	128,868
Non-current assets	256,436	121,262	49,102	426,800

Notes:

- The Group is organised into business units based on their products and services, and has three reportable operating segments namely Logistics, Data Centre & Networks and Investments. The Logistics division provides warehousing, distribution, container storage and freight forwarding services. The Data Centre & Networks division provides data centre facilities and co-location services, in-building network designs, network optimisation and geographical information system. The Investments division is the investment holding arm of the other telecommunications entities within the Group.
- Pricing of inter-segment sales is at fair market value.
- Segment assets and liabilities are those used in the operation of each segment.

13. REVIEW OF SEGMENT PERFORMANCE

Logistics Division revenue declined 11% to \$95.8 million compared to the previous year mainly due to lower warehousing and container handling services. Profit before tax and exceptional items of the Division improved 18% due to higher profits from Singapore, Foshan and Wuhu Annto Logistics. Profit after tax increased 7% to \$20.6 million compared to \$19.2 million in 2008.

Data Centre & Networks Division revenue fell 26% to \$21.5 million due mainly to the winding down of Network Engineering business, as the Division focused its efforts on Data Centre business. Attributed by the higher contribution from data centre in Ireland, the Division's profit before tax and exceptional items improved by 29% to \$10.9 million.

Investments Division's profit before tax and exceptional items decreased 19% to \$30.4 million largely due to lower operating profit in the absence of sundry income and lower contributions from associated companies, MobileOne and CGS Inc. Profit after tax for the Division was lower at \$20.8 million as a result of impairment in value of investments.

14. **BREAKDOWN OF SALES**

	G R O U P		
	2009 \$'000	2008 \$'000	+ / (-) %
<u>First Half</u>			
Sales reported for first half year	59,047	61,818	(4.5)
Operating profit after tax and exceptional items before deducting minority interests reported for first half year	21,507	22,327	(3.7)
<u>Second Half</u>			
Sales reported for second half year	54,289	67,050	(19.0)
Operating profit after tax and exceptional items before deducting minority interests reported for second half year	26,158	32,673	(19.9)

15. **INTERESTED PERSON TRANSACTIONS**

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<u>General Transactions</u>				
Keppel Corporation Limited	-	-	12,076	1,681
Singapore Telecommunications Limited	-	-	2,417	5,255
<u>Treasury Transactions</u>				
Keppel Corporation Limited	-	-	46,640	24,875
<u>Management Services</u>				
Keppel Corporation Limited	-	-	500	500
	-	-	61,633	32,311

16. TOTAL ANNUAL DIVIDEND

Total Annual Dividend amounted to:

	2009 \$'000	2008 \$'000
Ordinary	16,568	16,568
Preference	-	-
Total	16,568	16,568

BY ORDER OF THE BOARD

CAROLINE CHANG/LAURA LOW
Company Secretaries
20 January 2010