

Guthrie GTS Limited
FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) HALF-YEAR AND FULL YEAR RESULTS

UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2009

The Directors of Guthrie GTS Limited advise the following unaudited results of the Group for the first quarter ended 31 March 2009.

1(a)(i) *An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year*

INCOME STATEMENT (in \$'000)

	<u>1Q09</u>	<u>1Q08</u>	<u>% change</u>
Revenue	92,542	77,859	18.9%
Cost of sales	<u>(70,863)</u>	<u>(58,224)</u>	21.7%
Gross profit	21,679	19,635	10.4%
Other gains	1,334	977	36.5%
Fair value (losses)/gains on investment properties	<u>(6,689)</u>	8,168	-181.9%
Expenses			
Distribution	(1,153)	(792)	45.6%
Administrative	(7,309)	(7,154)	2.2%
Finance	(2,786)	(2,398)	16.2%
Other operating	(241)	(364)	-33.8%
Share of profit of associates (net of tax)	<u>13,870</u>	15	NM
Profit before income tax	18,705	18,087	3.4%
Income tax expense	<u>2,128</u>	<u>(2,703)</u>	-178.7%
Net profit	<u>20,833</u>	<u>15,384</u>	35.4%
<u>Net profit attributable to:</u>			
Equity holders of the Company (See Note below)	<u>20,288</u>	14,919	36.0%
Minority interest	<u>545</u>	465	17.2%
	<u>20,833</u>	<u>15,384</u>	35.4%

Note:

Analysis of net profit attributable:

Operations	8,832	8,094	9.1%
Fair value (losses)/gains on investment properties	<u>(6,123)</u>	6,825	-189.7%
Share of an associate's fair value gain on an investment property	14,179	-	NM
Effect on change in tax rate on deferred income tax liabilities	<u>3,400</u>	-	NM
	<u>20,288</u>	<u>14,919</u>	36.0%

NM: Not Meaningful

Guthrie GTS Limited**FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT**

1(a)(i) *An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year (continued)*

STATEMENT OF COMPREHENSIVE INCOME (in \$'000)

	<u>1Q09</u>	<u>1Q08</u>
Net profit	20,833	15,384
Other Comprehensive income, after tax:		
Financial assets, available-for-sale		
- Fair value gains	1,354	1,409
Cash flow hedges		
- Fair value gains/(losses)	747	(1,372)
Share of other comprehensive income of an associate	96	-
Currency translation differences	766	(2,460)
Other comprehensive income, net of tax	2,963	(2,423)
Total comprehensive income for the period	23,796	12,961
Total comprehensive income attributable to:		
Equity holders of the Company	23,119	13,025
Minority interest	677	(64)
	23,796	12,961

1(a)(ii) *Profit before tax is arrived at after (charging)/crediting the following significant items (in \$'000):*

	<u>1Q09</u>	<u>1Q08</u>
Investment loss - net	(2)	(50)
Finance income	264	488
Foreign exchange gain - net	505	90
Gain/(loss) on disposal of investment properties and property, plant and equipment - net	6	(10)
Property, plant and equipment written-off	(3)	-
Amortisation and depreciation	(1,926)	(2,199)
Net allowance for doubtful debts and bad debts written-off	(236)	(212)

1(a)(iii) *The income tax expense is arrived at after (charging)/crediting the following significant items (in \$'000):*

	<u>1Q09</u>	<u>1Q08</u>
Effect of change in tax rate on deferred income tax liabilities	3,400	-

Guthrie GTS Limited

FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

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 (in S'000)

	The Group		The Company	
	31-Mar-09	31-Dec-08	31-Mar-09	31-Dec-08
Current assets				
Cash and cash equivalents	149,885	161,745	34,227	60,594
Trade and other receivables	60,821	65,467	271,380	269,995
Contract work-in-progress and inventories	11,143	7,642	-	-
Derivative financial instruments	4	1	-	-
Financial assets, at fair value through profit or loss	53	55	-	-
Development property	80,643	74,971	-	-
Deposits, prepayments and tax recoverable	1,550	979	11,795	11,777
	304,099	310,860	317,402	342,366
Non-current assets				
Other receivables, prepayments and deposits	19,990	18,507	226,708	221,734
Financial assets, available-for-sale	76,299	74,168	-	-
Derivative financial instruments	52	-	-	-
Investments in associates	37,465	23,839	2,987	2,987
Investments in joint ventures	-	-	6,255	6,255
Investments in subsidiaries	-	-	77,288	77,285
Investment properties	698,788	704,867	-	-
Development property	-	-	-	-
Property, plant and equipment	71,013	71,637	423	444
Goodwill	2,478	2,478	-	-
Deferred income tax assets	125	405	65	107
	906,210	895,901	313,726	308,812
Total assets	1,210,309	1,206,761	631,128	651,178
Current liabilities				
Trade and other payables	131,881	133,446	179,676	181,274
Current income tax liabilities	10,602	9,752	2,568	2,491
Bank loans and bonds	262,377	279,950	2,500	22,500
Derivative financial instruments	1,021	1,769	-	405
Provisions for warranties	3,567	3,398	-	-
	409,448	428,315	184,744	206,670
Non-current liabilities				
Bank loans and bonds	89,159	89,721	42,000	42,000
Other payables and liabilities	20,472	17,289	-	-
Derivative financial instruments	720	889	408	303
Deferred income tax liabilities	55,482	59,315	-	-
	165,833	167,214	42,408	42,303
Total liabilities	575,281	595,529	227,152	248,973
Net assets	635,028	611,232	403,976	402,205
Capital and reserves attributable to equity holders of the Company				
Share capital	244,405	244,405	244,405	244,405
Revaluation and other reserves	22,388	19,557	133,832	133,664
Retained earnings	347,193	326,905	25,739	24,136
	613,986	590,867	403,976	402,205
Minority interest	21,042	20,365	-	-
Total equity	635,028	611,232	403,976	402,205

Guthrie GTS Limited**FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT**

1(b)(ii) *In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:*

(a) **Amount repayable in one year or less, or on demand (in \$'000)**

	<u>31-Mar-09</u>	<u>31-Dec-08</u>
Secured	259,877	277,450
Unsecured	2,500	2,500
Total	<u>262,377</u>	<u>279,950</u>

(b) **Amount repayable after one year (in \$'000)**

	<u>31-Mar-09</u>	<u>31-Dec-08</u>
Secured	89,159	89,721
Unsecured	-	-
Total	<u>89,159</u>	<u>89,721</u>

(c) **Details of collaterals**

The following assets of the Group were mortgaged to lenders as security for credit facilities for the Company and the Group (in \$'000):

	<u>31-Mar-09</u>	<u>31-Dec-08</u>
Investment properties	692,658	698,737
Property, plant and equipment	38,534	38,629
Development property – current	80,643	74,971
Total	<u>811,835</u>	<u>812,337</u>

Guthrie GTS Limited**FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT**

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 CASHFLOW STATEMENTS (IN \$'000)

	<u>1Q09</u>	<u>1Q08</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	18,705	18,087
Non-cash items	(2,872)	(4,254)
Change in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries:		
- Trade and other receivables	4,076	11,125
- Other receivables - non-current	280	(670)
- Contract work-in-progress and inventories	(3,500)	3,974
- Development property - current	(5,664)	(2,115)
- Financial assets, at fair value through profit or loss	2	62
- Trade and other payables	(2,102)	(30,912)
- Other payables - non-current	3,316	3,734
- Effect of currency translation differences on consolidation	(653)	(88)
Income tax paid - net	(812)	(755)
Net cash generated from/(used in) operating activities	<u>10,776</u>	<u>(1,812)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of plant and equipment	16	37
Purchase of property, plant and equipment	(825)	(746)
Loan to an associate	(1,840)	-
Repayments (to)/from associates	(3)	4
Dividends received from an associate	369	221
Payments for financial assets, available-for-sale	(778)	(496)
Expenditure on investment properties	(346)	(4,499)
Expenditure on development property - non-current	-	(4,048)
Interest received	264	488
Net cash used in investing activities	<u>(3,143)</u>	<u>(9,039)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans from banks	2,812	2,765
Repayments of bank loans	(20,563)	(563)
Interest paid	(2,053)	(1,853)
Net cash (used in)/generated from financing activities	<u>(19,804)</u>	<u>349</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(12,171)	(10,502)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	161,286	145,531
Effects of currency translation differences on cash and cash equivalents	770	(105)
CASH AND CASH EQUIVALENTS AS AT END OF PERIOD	<u>149,885</u>	<u>134,924</u>

Note: Cash and cash equivalents are net of bank overdraft of \$Nil (31 March 2008: \$110,584).

Guthrie GTS Limited**FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT**

1(d)(i) *A statement (for the issuer and the 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 (in S'000)

Group - 1Q09	Share capital	Fair value reserve	Revaluation and other reserves	Retained earnings	Total	Minority interest	Total equity
Balance at 1 January 2009	244,405	39,199	(19,642)	326,905	590,867	20,365	611,232
Total comprehensive income for the period	-	1,354	1,477	20,288	23,119	677	23,796
Balance at 31 March 2009	244,405	40,553	(18,165)	347,193	613,986	21,042	635,028
 Group - 1Q08							
Balance at 1 January 2008	244,405	38,930	(8,477)	270,994	545,852	21,668	567,520
Total comprehensive income for the period	-	1,409	(3,303)	14,919	13,025	(64)	12,961
Balance at 31 March 2008	244,405	40,339	(11,780)	285,913	558,877	21,604	580,481

Guthrie GTS Limited
FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

1(d)(i) (continued)

STATEMENT OF CHANGES IN EQUITY (in \$'000)

Company - 1Q09	Share capital	Revaluation and other reserves	Retained earnings	Total equity
Balance at 1 January 2009	244,405	133,664	24,136	402,205
Total comprehensive income for the period	-	168	1,603	1,771
Balance at 31 March 2009	244,405	133,832	25,739	403,976
 Company - 1Q08				
Balance at 1 January 2008	244,405	133,943	24,112	402,460
Total comprehensive income for the period	-	(157)	5,936	5,779
Balance at 31 March 2008	244,405	133,786	30,048	408,239

Guthrie GTS Limited

FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

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 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 CAPITAL - No shares were issued during the quarter.

Total outstanding shares under options were nil at 31 March 2009 (31 March 2008: Nil) under the Guthrie GTS Share Option Scheme (2002).

1(d)(iii) The number of issued ordinary shares of the Company as at 31 March 2009 and at 31 December 2008 is 1,077,937,731.

1(d) (iv) The company does not have any treasury shares as at 31 March 2009.

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

AUDIT - The figures have not been audited nor reviewed by the Company's auditors.

3 *Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).*

AUDITORS' REPORT - Not applicable.

4 *Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied*

ACCOUNTING POLICIES – The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the financial year ended 31 December 2008 except as disclosed in item 5.

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*

CHANGES IN ACCOUNTING POLICIES

On 1 January 2009, the Group adopted the following new or revised Singapore Financial Reporting Standards (FRS) and Interpretations (INT FRS) that are effective in this financial year.

FRS 1(R)	- Presentation of Financial Statements
FRS 108	- Operating Segments
Revised FRS 23	- Borrowing Costs
Amendment to FRS 40	- Investment Properties

Guthrie GTS Limited
FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

5 (continued)

FRS 1(R) Presentation of Financial Statements

The revised standard requires:

- (i) All changes in equity arising from transactions with owners in their capacity as owners to be presented separately from components of comprehensive income;
- (ii) Components of comprehensive income not to be included in statement of changes in equity;
- (iii) Items of income and expenses and components of other comprehensive income to be presented either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate statement of profit and loss followed by a statement of comprehensive income);
- (iv) Presentation of restated balance sheet as at the beginning of the comparative period when entities make restatements or reclassifications of comparative information.

The revisions also include changes in the titles of some of the financial statements primary statements.

Comparatives for 2008 have been restated to conform to the requirements for the revised standard.

FRS 108 Operating Segments

FRS 108 supersedes FRS 14 Segment Reporting and requires the Group to report the financial performance of its operating segments based on the information used internally by management for evaluating segment performance and deciding on allocation of resources. Such information may be different from the information included in the financial statements, and the basis of its preparation and reconciliation to the amounts recognised in the financial statements shall be disclosed.

Revised FRS 23 Borrowing Costs

The revised standard removes the option to recognise immediately as an expense borrowing costs that are attributable to qualifying assets, except for those borrowing costs on qualifying assets that are measured at fair value or inventories that are manufactured or produced in large quantities on a repetitive basis.

As the Group has been capitalising the relevant borrowing costs, the revised standard is not expected to have any impact to the Group

Amendment to FRS 40 Investment Properties

The amendment to FRS 40 requires properties under development for future use as investment properties to be accounted for under FRS 40 rather than FRS 16 Property, plant and equipment. On adoption of this amendment, all investment properties under construction at 1 January 2009 are measured at fair value instead of at cost less accumulated impairment losses. The difference between the fair value and the carrying amount are taken to the income statement.

Guthrie GTS Limited**FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT**

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

EARNINGS PER ORDINARY SHARE of the Group for the financial period based on profit attributable to equity holders (cents)

	<u>1Q09</u>	<u>1Q08</u>
(a) Based on weighted average number of shares	1.88	1.38
- Weighted average number of shares ('000)	<u>1,077,938</u>	<u>1,077,938</u>
(b) On a fully diluted basis	1.88	1.38
- Adjusted weighted average number of shares ('000)	<u>1,077,938</u>	<u>1,077,938</u>

There was no material impact on prior period earnings per share on adoption of the revised FRS or INT FRS as discussed in item 5.

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

NET ASSET VALUE PER ORDINARY SHARE

	<u>31 March 09</u>		<u>31 December 08</u>	
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Net asset value per ordinary share based on issued capital at the end of the financial period/year (cents)	<u>57</u>	<u>37</u>	<u>55</u>	<u>37</u>

There was no material impact on prior period net asset value per share on adoption of the revised FRS or INT FRS as discussed in item 5.

Guthrie GTS Limited

FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

- 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 (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 period reported on.*

1Q09 v. 1Q08

Group revenue for 1Q09 of \$92.5 million was 18.9% higher than 1Q08. The Engineering Division recorded an increase of 57.5%. However, this increase was partly offset by lower revenue recorded by the other two divisions, in particular, the Property Division which reported a decrease of 30% due mainly to lower project management activities.

Gross profit for 1Q09 at \$21.7 million was 10.4% higher as compared to 1Q08. The increase was mainly contributed by the Engineering and the Property Divisions. During the quarter, the Property Division accounted for the Group's 25% share of the gross profit of the recently completed shopping mall, Jurong Point 2, adjacent to Jurong Point Shopping Centre.

Other gains for 1Q09 were higher as compared to 1Q08 due mainly to foreign exchange gains.

Fair value of investment properties for 1Q09 recorded a drop of about \$6.7 million as compared to a gain of \$8.2 million in 1Q08.

Total distribution and administrative expenses increased by about 6.5% as compared to 1Q08. This was due mainly to higher manpower expenses arising from a higher head count and the inclusion of the operating expenses of Jurong Point 2:

The share of profit of associates (net of tax) of \$13.9 million arose mainly from the Group's 20% equity share of the fair value gain of an investment property, Tampines 1, (a shopping mall which obtained TOP in March 2009) owned by an associate.

For 1Q09, the Group recorded a profit before income tax of \$18.7 million as compared to \$18.1 million for 1Q08, an increase of 3.4%.

During the quarter, the income tax expense of the Group has been credited with an amount of \$3.4 million due to the effect of changes in tax rates on deferred income tax liabilities. This arose from the reduction in corporate income tax rates in Singapore from 18% to 17% and in Indonesia from 30% to 28%.

Profit attributable to equity holders in 1Q09 increased 36% to \$20.3 million, as compared to \$14.9 million in 1Q08. Profit attributable to equity holders before fair value (losses)/gains on investment properties, the Group's share of an associate's fair value gain on an investment property and the effect of changes in tax rates, was 9.1% higher at \$8.8 million as compared to \$8.1 million in 1Q08.

Guthrie GTS Limited
FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

8 (continued)

Balance Sheet

The increase in development properties in current assets as at 31 March 2009 as compared to 31 December 2008 was due to progressive costs incurred during the quarter. The increase in the Group's investment in associate during the quarter arose mainly from its 20% share of the fair value gain of its investment property. The decrease in the Group's investment properties resulted from the lower fair values of these properties during the quarter. The desk-top valuation reports for the Group's major investment properties are available for inspection during normal office hours at the Company's registered office.

Cash flows

The Group's cash and cash equivalents ("CCE") amounted to \$149.9 million as at 31 March 2009. During the quarter ended 31 March 2009, CCE was down by about \$12.2 million due to CCE expended in its investing and financing activities during the quarter of \$3.1 million and \$19.8 million respectively. This was partly offset by net cash generated from its operating activities of \$10.8 million.

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

The Company did not disclose to shareholders a forecast for the current financial period. The results for the quarter ended were largely in line with the commentary made under item 10 in the announcement of results for the financial year ended 31 December 2008.

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*

For the Singapore economy, the Ministry of Trade and Industry has revised earlier forecasts downwards and Singapore's GDP for 2009 is now expected to contract between 6% and 9%. In addition, the recent outbreak of Influenza A (H1N1) has created further uncertainty in the operating environment. As such, the operating conditions for the Group's businesses are expected to be difficult and all divisions are likely to face tough challenges in the coming quarters. Any significant movements in the property market may also further affect the fair value of the Group's investment properties.

11 *If a decision regarding dividend has been made.*

DIVIDEND – Not applicable

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

No dividend has been declared/recommended for the first quarter ended 31 March 2009 (31 March 2008: Nil).

BY ORDER OF THE BOARD

JEROME JANSEN
Company Secretary
14 May 2009

Guthrie GTS Limited

FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

We, being two of the Directors of Guthrie GTS Ltd (“the Company”), do hereby confirm on behalf of the Board of Directors that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the first quarter ended 31 March 2009 to be false or misleading.

ON BEHALF OF THE BOARD OF DIRECTORS

BEN YEO CHEE SEONG
Director

HARRY ONG KIM SENG
Director

14 May 2009