

Full Year 2003 Financial Statement And Dividend Announcement

PART 1 – 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.

Consolidated income statement for the financial year ended 31 December 2003

	Group		Incr/ (Decr)
	<u>2003</u>	<u>2002</u>	
	\$'000	\$'000	%
Profit on sale of non-current investments	11,431	106	nm
Profit/(loss) on sale of trading securities	978	(3,727)	nm
Profit/(loss) on sale of investments	12,409	(3,621)	nm
Dividends	4,456	3,325	34.0
Other operating income			
Interest and other income	2,942	2,729	7.8
Foreign exchange (loss)/gain	(231)	1,238	nm
Operating revenue	19,576	3,671	433.3
Operating expenses	(3,023)	(3,006)	0.6
Operating profit	16,553	665	nm
Writeback of provision for diminution in value of trading securities	1,454	2,701	(46.2)
Profit before tax	18,007	3,366	435.0
Tax	(4,031)	(1,048)	284.6
Net profit	13,976	2,318	502.9

nm: not meaningful

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.

	Group		Company	
	As at	As at	As at	As at
	31/12/2003	31/12/2002	31/12/2003	31/12/2002
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Investment in subsidiary	-	-	8,000	8,000
Investments	195,632	172,849	195,632	172,849
	<u>195,632</u>	<u>172,849</u>	<u>203,632</u>	<u>180,849</u>
Current assets				
Trading securities	8,393	4,548	-	-
Trade debtors	1,593	3,125	1,575	2,879
Deposits/balances with UOB Group	2,001	4,265	1,695	2,763
Balances with other banks	15,253	1,278	14,770	872
Other assets	1,195	1,482	1,159	1,457
	<u>28,435</u>	<u>14,698</u>	<u>19,199</u>	<u>7,971</u>
Total assets	<u>224,067</u>	<u>187,547</u>	<u>222,831</u>	<u>188,820</u>
Current liabilities				
Trade creditors	153	-	153	-
Other liabilities	1,065	942	1,020	906
Provision for tax	2,848	858	2,848	858
	<u>4,066</u>	<u>1,800</u>	<u>4,021</u>	<u>1,764</u>
Net current assets	24,369	12,898	15,178	6,207
Non-current liability				
Provision for deferred tax	1,821	-	1,821	-
Total liabilities	<u>5,887</u>	<u>1,800</u>	<u>5,842</u>	<u>1,764</u>
	<u>218,180</u>	<u>185,747</u>	<u>216,989</u>	<u>187,056</u>
Shareholders' equity				
Share capital	139,042	139,042	139,042	139,042
Investment fluctuation reserve	-	21,436	-	21,436
Unrealised surplus/(deficit) on revaluation of investments	22,816	(3,608)	22,816	(3,608)
Retained profits	56,322	28,877	55,131	30,186
	<u>218,180</u>	<u>185,747</u>	<u>216,989</u>	<u>187,056</u>

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. (continued)

Composition of Net Assets

	Group			
	31/12/2003		31/12/2002	
	\$'000	%	\$'000	%
Quoted Equity Investments	142,316	65.2	90,570	48.8
Quoted Bonds, Notes, Loan Stocks and Unit Trusts	34,659	15.9	65,669	35.4
Other Quoted Investments	1,661	0.8	1,872	1.0
Unquoted Bonds, Notes, Loan Stocks and Unit Trusts	16,996	7.8	14,738	7.9
Trading Securities	8,393	3.8	4,548	2.4
Cash and Net Receivables	14,155	6.5	8,350	4.5
Total	218,180	100.0	185,747	100.0

Group Total Assets by Currency Mix

	31/12/2003	31/12/2002
	%	%
Singapore Dollar	40.1	48.3
United States Dollar *	27.3	23.7
Australian Dollar	6.8	-
Japanese Yen	5.4	0.8
Hong Kong Dollar	4.8	4.6
Korean Won	3.6	2.1
Malaysian Ringgit	3.2	2.3
Swiss Franc	3.2	2.4
New Taiwan Dollar	2.1	1.8
Euro	1.9	2.4
Thai Baht	0.7	0.2
Indonesian Rupiah	0.5	0.2
Sterling Pound	0.4	7.1
Philippines Peso	-	0.1
New Zealand Dollar	-	4.0
	100.0	100.0

* the USD currency holdings have been covered against SGD, reducing the exposure from 27.3% to 21.9 % (31/12/2002: 23.7% to 9.9%).

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. (continued)

Country Mix of Quoted Equity Investments

	<u>31/12/2003</u>	<u>31/12/2002</u>
	%	%
Singapore	39.1	51.3
United States	18.2	14.8
Australia	8.3	-
Japan	7.9	1.5
Hong Kong	6.2	4.6
South Korea	5.4	4.4
Switzerland	4.7	4.9
Malaysia	4.7	4.3
Taiwan	2.8	2.5
France	1.6	1.2
Indonesia	0.6	0.4
United Kingdom	0.4	5.5
Finland	0.1	0.2
China	-	3.1
Thailand	-	0.4
Philippines	-	0.2
Netherlands	-	0.7
	<u>100.0</u>	<u>100.0</u>

Industry Mix of Quoted Equity Investments

	<u>31/12/2003</u>	<u>31/12/2002</u>
	%	%
Financials	29.3	40.4
Consumer Goods	25.9	25.4
Industrials	12.9	9.8
Information Technology	10.4	12.0
Materials	8.4	1.4
Healthcare	7.6	3.5
Energy	5.1	3.6
Telecom Services	0.4	1.7
Utilities	-	2.1
Others	-	0.1
	<u>100.0</u>	<u>100.0</u>

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 (continued)

Largest Investment Holdings as at 31/12/2003

	As % of <u>Group Net Assets</u>
<u>Top Ten Equity Holdings</u>	
United Overseas Bank Limited	12.6
United Overseas Land Limited	4.5
Baxter International Incorporated	2.6
Newcrest Mining Limited	2.3
Hewlett Packard Company	2.0
Jubilee Mines NL	2.0
Kimberly-Clark Corporation	1.9
Keppel Corporation Limited	1.9
Honda Motor Company Limited	1.9
Daelim Industrial Company Limited	1.6
<u>Top Five Fixed Income Holdings</u>	
United Global Emerging Market Portfolio- SGD	3.0
United Convertible Bond Fund – USD	2.7
Russia Federation Government Bond 8.25% Due 31/03/2010	1.3
United Overseas Land Limited Bond 1.5% Due 15/07/2004	1.1
National Power Corporation Bond 9.75% Due 01/07/2009	0.9

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/12/2003		As at 31/12/2002	
Secured	Unsecured	Secured	Unsecured
0	0	0	0

Amount repayable after one year

As at 31/12/2003		As at 31/12/2002	
Secured	Unsecured	Secured	Unsecured
0	0	0	0

Details of any collateral

Not applicable.

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 for the financial year ended 31 December 2003

	Group	
	<u>2003</u>	<u>2002</u>
	\$'000	\$'000
Cash flows from operating activities		
Profit before tax	18,007	3,366
Adjustment for:		
Profit on sale of non-current investments	(11,431)	(106)
Dividend income	(4,456)	(3,325)
Interest income	(2,942)	(2,628)
Interest expense	7	13
Writeback of provision for diminution in value of trading securities	(1,454)	(2,701)
Dividend received	4,164	3,357
Interest received	3,295	2,478
Operating cash flow before working capital changes	5,190	454
Changes in working capital:		
Trading securities	(2,391)	5,120
Trade debtors and other assets	973	(835)
Trade creditors and other liabilities	123	(629)
Cash generated from operations	3,895	4,110
Income tax paid	(2,035)	(446)
Net cash inflow from operating activities	<u>1,860</u>	<u>3,664</u>
Cash flows from investing activities		
Purchase of non-current investments	(228,095)	(142,045)
Proceeds from sale of non-current investments	245,920	128,450
Net cash inflow/(outflow) from investing activities	<u>17,825</u>	<u>(13,595)</u>
Cash flows from financing activities		
Dividends paid	(7,967)	(7,967)
Interest paid	(7)	(13)
Net cash outflow from financing activities	<u>(7,974)</u>	<u>(7,980)</u>
Net increase/(decrease) in cash and cash equivalents	11,711	(17,911)
Cash and cash equivalents at the beginning of the financial year	5,543	23,454
Cash and cash equivalents at the end of the financial year	<u>17,254</u>	<u>5,543</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.

	Share capital	Investment fluctuation reserve	Unrealised surplus / (deficit) on revaluation of investments	Exchange fluctuation reserve	Retained profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group						
Balance at 1 January 2003						
- as previously stated	139,042	21,436	(3,608)	(4,688)	33,565	185,747
- effect of adopting FRS 21	-	-	-	4,688	(4,688)	-
- as restated	139,042	21,436	(3,608)	-	28,877	185,747
Revaluation surplus	-	-	28,265	-	-	28,265
Deferred tax on revaluation	-	-	(1,841)	-	-	(1,841)
Net gain not recognised in income statement	-	-	26,424	-	-	26,424
Net profit	-	-	-	-	13,976	13,976
Total recognised gains for the financial year	-	-	26,424	-	13,976	40,400
Transfer to retained profits *	-	(21,436)	-	-	21,436	-
Dividend for 2002	-	-	-	-	(7,967)	(7,967)
Balance at 31 December 2003	139,042	-	22,816	-	56,322	218,180
Balance at 1 January 2002						
- as previously stated	139,042	21,436	15,703	(4,518)	39,044	210,707
- effect of adopting FRS 21	-	-	-	4,518	(4,518)	-
- as restated	139,042	21,436	15,703	-	34,526	210,707
Revaluation deficit	-	-	(19,833)	-	-	(19,833)
Deferred tax on revaluation	-	-	522	-	-	522
Net loss not recognised in income statement	-	-	(19,311)	-	-	(19,311)
Net profit	-	-	-	-	2,318	2,318
Total recognised gains and losses for the financial year	-	-	(19,311)	-	2,318	(16,993)
Dividend for 2001	-	-	-	-	(7,967)	(7,967)
Balance at 31 December 2002	139,042	21,436	(3,608)	-	28,877	185,747

* Following the repeal of Division 1 of Part XI of the Companies Act, Cap. 50, relating to Investment Companies which took effect on 15 May 2003, the balance in the Investment Fluctuation Reserve (IFR) account was transferred to Retained Profits. The IFR account was maintained to record the Company's net realised profits from the sale of investments held as non-current assets as well as its profits and losses from options and futures trading prior to 1 January 1994.

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. (continued)

	Share capital \$'000	Investment fluctuation reserve \$'000	Unrealised surplus / (deficit) on revaluation of investments \$'000	Exchange fluctuation reserve \$'000	Retained profits \$'000	Total \$'000
Unaudited						
Company						
Balance at 1 January 2003						
- as previously stated	139,042	21,436	(3,608)	(4,688)	34,874	187,056
- effect of adopting FRS 21	-	-	-	4,688	(4,688)	-
- as restated	139,042	21,436	(3,608)	-	30,186	187,056
Revaluation surplus	-	-	28,265	-	-	28,265
Deferred tax on revaluation	-	-	(1,841)	-	-	(1,841)
Net gain not recognised in income statement	-	-	26,424	-	-	26,424
Net profit	-	-	-	-	11,476	11,476
Total recognised gains for the financial year	-	-	26,424	-	11,476	37,900
Transfer to retained profits *	-	(21,436)	-	-	21,436	-
Dividend for 2002	-	-	-	-	(7,967)	(7,967)
Balance at 31 December 2003	139,042	-	22,816	-	55,131	216,989
Balance at 1 January 2002						
- as previously stated	139,042	21,436	15,703	(4,518)	39,346	211,009
- effect of adopting FRS 21	-	-	-	4,518	(4,518)	-
- as restated	139,042	21,436	15,703	-	34,828	211,009
Revaluation deficit	-	-	(19,833)	-	-	(19,833)
Deferred tax on revaluation	-	-	522	-	-	522
Net loss not recognised in income statement	-	-	(19,311)	-	-	(19,311)
Net profit	-	-	-	-	3,325	3,325
Total recognised gains and losses for the financial year	-	-	(19,311)	-	3,325	(15,986)
Dividend for 2001	-	-	-	-	(7,967)	(7,967)
Balance at 31 December 2002	139,042	21,436	(3,608)	-	30,186	187,056

* Following the repeal of Division 1 of Part XI of the Companies Act, Cap. 50, relating to Investment Companies which took effect on 15 May 2003, the balance in the Investment Fluctuation Reserve (IFR) account was transferred to Retained Profits. The IFR account was maintained to record the Company's net realised profits from the sale of investments held as non-current assets as well as its profits and losses from options and futures trading prior to 1 January 1994.

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.

Nil

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

The figures, with the exception of the Company's Statement of Changes in Equity, have been audited in accordance with Singapore Standards on Auditing.

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

The auditors' report is appended at the end of the Announcement.

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 financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of the previous financial year, except as described in paragraph 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.**

With effect from 1 January 2003, the Company has changed its accounting policy to comply with Financial Reporting Standard ("FRS") 21 The Effects of Changes in Foreign Exchange Rates, which requires exchange differences on translation of foreign currency monetary assets and liabilities to be recognised in the income statement. Prior to 1 January 2003, such exchange differences were taken directly to reserves. The change in accounting policy has been applied retrospectively and the comparatives have been restated to conform to the changed policy.

The adjustments made to the comparative figures are as follows:

	<u>Group & Company</u> \$'000
Decrease in net profit for the financial year ended 31 December 2002	(170)
Increase in exchange fluctuation reserve as at 31 December 2002	4,688
Decrease in retained profits as at 31 December 2002	(4,688)

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.**

	<u>Group</u>	
	<u>2003</u> Cents	<u>2002</u> Cents
Earnings per share		
(a) Based on the weighted average number of ordinary shares in issue	10.05	1.67
(b) On a fully diluted basis	10.05	1.67

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

	Group		Company	
	<u>31/12/2003</u>	<u>31/12/2002</u>	<u>31/12/2003</u>	<u>31/12/2002</u>
	\$	\$	\$	\$
Net asset value per share	1.57	1.34	1.56	1.35

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.

The Group registered a significant 502.9% jump in after-tax profit to \$14.0 million from \$2.3 million in 2002. The sterling performance was achieved on the back of improved stock market conditions yielding a healthy profit on sale of investments of \$12.4 million as against a loss of \$3.6 million in 2002. This was however partially offset by higher tax provision attributed to the increased profit as well as exchange loss versus exchange gain in 2002, mainly on USD forward contracts.

Group shareholders' funds increased by \$32.5 million to \$218.2 million from \$185.7 million as at last year-end, contributed mainly by the unrealised revaluation gain on non-current investments due to higher market prices and higher net profit recorded in this year. Consequently, the Group's net asset value per share rose by 17.2% to \$1.57 from \$1.34 as at last year-end.

The Group's net asset value per share of \$1.57 as at 31 December 2003 is after factoring in dividend payment of \$8.0 million in May 2003. Without taking into account the dividend payment, the net asset value would have been a higher \$1.63 per share, representing an increase of 21.6% over the last year-end.

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

No forecast was made previously.

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.

Global economic recovery appears to be underway. Stock markets around the world were buoyant in 2003 as economies and confidence rebounded. The economic outlook for the next six months appears encouraging with interest rates likely to remain low.

The Company has on 22 October 2003 announced a proposed merger between the Company and Overseas Union Securities Limited ("OUS") by way of a scheme of arrangement under Section 210 of the Companies Act, Chapter 50. The merger, which is subject to the approval of UIS and OUS shareholders, will involve an exchange of OUS shares held by shareholders of OUS for shares in the Company. Please refer to the joint announcement issued by the Company and OUS on 22 October 2003 for further details of the proposed merger.

11. Dividend

(a) Current Financial Period Reported On

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

	2003	
	First & Final	First & Final
Name of Dividend	Cash	Cash
Dividend Type	Cash	Cash
Dividend Rate	3.5% per ordinary share (less tax)	3.0% per ordinary share (tax exempt)
Par value of shares	\$1.00	\$1.00
Tax Rate	22%	Nil

(b) Corresponding Period of the Immediately Preceding Financial Year

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

	2002	
	First & Final	First & Final
Name of Dividend	Cash	Cash
Dividend Type	Cash	Cash
Dividend Rate	3.5% per ordinary share (less tax)	3.0% per ordinary share (tax exempt)
Par value of shares	\$1.00	\$1.00
Tax Rate	22%	Nil

(c) Date payable

The dividend is payable on 18 May 2004.

(d) Books closure date

Notice is hereby given that, subject to shareholders' approval of the payment of the aforementioned dividends at the forthcoming Annual General Meeting, the Share Transfer Books and Registers of Members of the Company will be closed from 6 May 2004 to 7 May 2004, both dates inclusive. Duly completed transfers received by the Company's Registrar, Lim Associates (Pte) Ltd, 10 Collyer Quay #19-08, Ocean Building, Singapore 049315, up to 5.00 p.m. on 5 May 2004 will be registered to determine shareholders' entitlement to the proposed ordinary dividends. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Ltd ("CDP"), the final dividends will be paid by the Company to CDP which will, in turn, distribute the dividend entitlements to the shareholders.

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 .**

The business of the Company and its subsidiary is in investment holding and investment trading respectively, and is carried out wholly in Singapore.

<u>2003</u>	Investment <u>Holding</u> \$'000	Investment <u>Trading</u> \$'000	<u>Group</u> \$'000
Revenue	18,395	1,181	19,576
Profit before tax	15,496	2,511	18,007
Tax	(4,020)	(11)	(4,031)
Net profit	11,476	2,500	13,976
Total assets	214,831	9,236	224,067
Total liabilities	5,842	45	5,887
<u>2002</u>	Investment <u>Holding</u> \$'000	Investment <u>Trading</u> \$'000	<u>Group</u> \$'000
Revenue	7,255	(3,584)	3,671
Profit/(loss) before tax	4,365	(999)	3,366
Tax	(1,040)	(8)	(1,048)
Net profit/(loss)	3,325	(1,007)	2,318
Total assets	180,820	6,727	187,547
Total liabilities	1,764	36	1,800

The figures reported above are stated after elimination of intercompany transactions and balances.

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

Net profit for Investment Holding increased by \$8.2 million or 245.1% from \$3.3 million in 2002 to \$11.5 million in 2003 attributed mainly to higher profit from sale of investments arising from improved stock market conditions. Investment Trading turnaround a loss of \$1.0 million in 2002 to a profit of \$2.5 million in 2003, due largely to profit on sale of trading securities as against a loss in 2002.

Total assets of Investment Holding increased by \$34.0 million to \$214.8 million mainly from the unrealised gain of \$28.3 million on revaluation of non-current investments and higher profit recorded in 2003.

15. A breakdown of sales.

		Group	
		<u>2003</u>	<u>2002</u>
		<u>\$'000</u>	<u>\$'000</u>
			Incr/ (Decr) %
(a)	Revenue reported for first half year	<u>5,952</u>	<u>5,923</u> 0.5
(b)	Operating profit after tax before deducting minority interests reported for first half year	<u>5,212</u>	<u>5,441</u> (4.2)
(c)	Revenue reported for second half Year	<u>13,624</u>	<u>(2,252)</u> nm
(d)	Operating profit/(loss) after tax before deducting minority interests reported for second half year	<u>8,764</u>	<u>(3,123)</u> nm

nm: not meaningful

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

Total Annual Dividend

	Full Year 2003 (\$'000)	Full Year 2002 (\$'000)
Ordinary	7,967	7,967
Preference	-	-
Total	7,967	7,967

BY ORDER OF THE BOARD

Mrs Vivien Chan
Company Secretary
Dated this 5th day of February 2004

**AUDITORS' REPORT TO THE MEMBERS OF
UNITED INTERNATIONAL SECURITIES LIMITED**

We have audited the balance sheet of United International Securities Limited and the consolidated financial statements of the Group for the financial year ended 31 December 2003 set out on pages 6 to 37. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- (a) the accompanying balance sheet of the Company and consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Companies Act, Cap 50 ("the Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2003 and the results, changes in equity and cash flows of the Group for the financial year ended on that date, and
- (b) the accounting and other records (excluding registers) required by the Act to be kept by the Company and by the subsidiary have been properly kept in accordance with the provisions of the Act.

We are satisfied that the financial statements of the subsidiary that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations as required by us for those purposes.

The auditors' report on the financial statements of the subsidiary was not subject to any qualification and did not include any comment made under section 207(3) of the Act.

PricewaterhouseCoopers
Certified Public Accountants

Singapore,
5 February 2004