



UNITED INTERNATIONAL SECURITIES LIMITED
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

ANNOUNCEMENT

The Board of Directors wishes to make the following announcement :-

1. AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2001

	Group			Company		
	2001	2000	+/-	2001	2000	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Dividend income	3,585	4,602	-22.1	4,429	5,283	-16.2
Profit on sale of investments	1,053	19,208	-94.5	4,962	17,268	-71.3
Interest and other income	2,003	2,347	-14.7	1,942	2,175	-10.7
Operating income	6,641	26,157	-74.6	11,333	24,726	-54.2
Operating profit before tax and provisions	3,669	22,762	-83.9	8,488	21,531	-60.6
Writeback/(provision) for diminution in value of investments	2,122	(6,309)	+133.6	-	-	-
Operating profit before tax	5,791	16,453	-64.8	8,488	21,531	-60.6
Income tax	951	(1,419)	+167.0	605	(1,617)	+137.4
Operating profit after tax and available for appropriation	6,742	15,034	-55.2	9,093	19,914	-54.3
Operating income						
6 months ended 30 June	5,792	17,006	-65.9	7,133	15,362	-53.6
6 months ended 31 December	849	9,151	-90.7	4,200	9,364	-55.1
Total for the year	6,641	26,157	-74.6	11,333	24,726	-54.2
Operating profit after tax						
6 months ended 30 June	3,993	11,686	-65.8	4,746	12,061	-60.7
6 months ended 31 December	2,749	3,348	-17.9	4,347	7,853	-44.6
Total for the year	6,742	15,034	-55.2	9,093	19,914	-54.3
Operating profit after tax as a percentage of total income from operations	101.5%	57.5%				
Operating profit after tax as a percentage of issued capital and reserves at the end of the year	3.2%	6.7%				
Net earnings per share in cents based on existing issued share capital	4.85	10.81				
Net tangible assets backing per share	S\$1.52	S\$1.62				

The income tax expense is determined on the basis of tax effect accounting using the liability method and deferred taxation is provided on significant timing differences. There were adjustments for overprovision of tax in respect of prior years by both the Group and the Company which amounted to S\$2,352,000 and S\$2,237,000 respectively (2000 : S\$377,000 for both the Group and the Company). There were no pre-acquisition profits nor any profits from sale of properties.

2. DIRECTORS' COMMENTS

Group profit after tax was 55.2% lower than that of the preceding year. This was due mainly to lower profit from sale of investments and lower dividend income this year, partially offset by a writeback in provision for diminution in value of investments and taxation as against provisions made in the previous year respectively. Net tangible assets backing per share decreased by 6.2% to S\$1.52 as at 31 December 2001.

In the opinion of the Directors, no item, transaction or event of a material or unusual nature has arisen in the interval between 31 December 2001 and the date of this announcement which is likely to affect substantially the results of the Company and the Group for the financial year ended 31 December 2001.

3. CURRENT YEAR'S PROSPECTS

The US economy is generally expected to resume growth by the middle or later part of this year aided by both monetary and fiscal stimulus and a bottoming out of the technology and telecommunications sectors. Consumer confidence also appears to be holding up better than anticipated after the September 11 tragedy and in spite of continuing lay-offs and rising unemployment.

Although stock markets have rallied quite sharply from the September 2001 low on expectations of an economic recovery, corporate earnings may not meet expectations.

The Company will continue to maintain a selective stance in equities. The Company will remain overweight in Asia excluding Japan, where valuations are reasonable and companies are well positioned to benefit from a recovery in the US and European economies.

4. DIVIDEND

- (i) The Directors recommend a first and final dividend of 6.5% comprising 3.5% less 24.5% tax and 3.0% tax exempt, in respect of the financial year ended 31 December 2001. The proposed dividend, if approved at the Annual General Meeting to be convened on 20 April 2002, will be paid on 15 May 2002.

	<u>Company</u>	
	<u>2001</u>	<u>2000</u>
(ii) Final dividend per ordinary share	3.5 cents (less 24.5% tax) 3.0 cents (tax exempt)	6.5 cents (less 24.5% tax) -
Special Dividend	-	5.0 cents (less 24.5% tax)
(iii) Total dividends (net)	S\$7,845,437	S\$12,072,298

5. BALANCE SHEET AS AT 31 DECEMBER 2001

	<u>Group</u>		<u>Company</u>	
	<u>2001</u>	2000	<u>2001</u>	2000
	S\$'000	S\$'000	S\$'000	S\$'000
Investments	178,981	189,432	178,981	189,432
Unquoted share in Subsidiary at cost	-	-	8,000	8,000
Current Assets	34,069	39,217	26,336	29,022
Less Current Liabilities	(2,038)	(3,801)	(2,003)	(3,655)
Net Current Assets	32,031	35,416	24,333	25,367
Less Deferred Taxation	-	(3)	-	(3)
	211,012	224,845	211,314	222,796
Represented by : -				
Share Capital	139,042	139,042	139,042	139,042
Investment Fluctuation Reserve	21,436	21,436	21,436	21,436
Unrealised Surplus on Revaluation of Investments	16,008	24,753	16,008	24,753
Exchange Fluctuation Reserve	(4,518)	(4,760)	(4,518)	(4,760)
Retained Profits	39,044	44,374	39,346	42,325
	211,012	224,845	211,314	222,796

6. COMPOSITION OF NET ASSETS

	<u>(S\$'000)</u>	<u>%</u>
Equities	129,950	61.6
Fixed Income and Other Securities	55,998	26.5
Cash and Other Liquid Assets	<u>25,064</u>	<u>11.9</u>
Total	<u>211,012</u>	<u>100.0</u>

7. TOP TEN HOLDINGS

<u>Counter</u>	<u>% of NTA</u>
United Overseas Bank Limited	17.8
United Overseas Land Limited	4.1
United Global Emerging Market Portfolio - SGD	2.7
United Overseas Land Limited 1.5% Due July 2004	1.8
Singapore Press Holdings Limited	1.8
Tingyi (Cayman Island) Convertible Bonds 1.625% Due July 2002	1.7
DBS Group Holdings Limited	1.6
Total Access Communication 8.375% Due November 2006	1.6
United Kingdom Treasury Coupon Strip 0% Due December 2005	1.5
ASE Test Limited 1% Convertible Bonds Due July 2004	1.4

8. CHANGES IN SHARE CAPITAL

There was no change in the issued share capital of the Company and its subsidiary during the period from 1 January 2001 to 31 December 2001.

9. CLOSURE OF BOOKS

Notice is hereby given that the Share Transfer Books and the Register of Members of the Company will be closed from 3 May 2002 to 4 May 2002, both dates inclusive, for the preparation of dividend warrants. Registrable transfers received by the Company's Registrar, Lim Associates (Private) Ltd, 10 Collyer Quay #19-08, Ocean Building, Singapore 049315, up to 5.00 p.m. on 2 May 2002 will be registered for the above dividend. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP") the above dividend, if approved by shareholders, will be paid by the Company to CDP who will distribute the dividend to the holders of the securities accounts.

By Order of the Board

Mrs Vivien Chan
Company Secretary
Dated this 20th day of February 2002