

**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 2000**

	<b>Group</b>			<b>Company</b>		
	<b>2000</b>	1999	<b>+/-</b>	<b>2000</b>	1999	<b>+/-</b>
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Dividend income	<b>4,602</b>	2,651	+73.6	<b>5,443</b>	3,490	+56.0
Profit on sale of investments	<b>19,291</b>	14,068	+37.1	<b>17,268</b>	10,442	+65.4
Interest and other income	<b>2,264</b>	2,797	-19.1	<b>2,175</b>	2,628	-17.2
Operating income	<b>26,157</b>	19,516	+34.0	<b>24,886</b>	16,560	+50.3
Operating profit before tax and provisions (Provision)/writeback for diminution in value of investments	<b>22,762</b>	16,360	+39.1	<b>21,691</b>	13,607	+59.4
	<b>(6,309)</b>	751	+940.1	-	-	-
Operating profit before tax	<b>16,453</b>	17,111	-3.8	<b>21,691</b>	13,607	+59.4
Income tax	<b>(1,419)</b>	(187)	+658.8	<b>(1,654)</b>	752	+319.9
Operating profit after tax and available for appropriation	<b>15,034</b>	16,924	-11.2	<b>20,037</b>	14,359	+39.5
Operating income 6 months ended 30 June	<b>17,006</b>	10,152	+67.5	<b>14,562</b>	7,460	+95.2
6 months ended 31 December	<b>9,151</b>	9,364	-2.3	<b>10,324</b>	9,100	+13.5
Total for the year	<b>26,157</b>	19,516	+34.0	<b>24,886</b>	16,560	+50.3
Operating profit after tax 6 months ended 30 June	<b>11,686</b>	7,683	+52.1	<b>11,465</b>	5,206	+120.2
6 months ended 31 December	<b>3,348</b>	9,241	-63.8	<b>8,572</b>	9,153	-6.3
Total for the year	<b>15,034</b>	16,924	-11.2	<b>20,037</b>	14,359	+39.5
Operating profit after tax as a percentage of total income from operations	<b>57.5%</b>	86.7%				
Operating profit after tax as a percentage of issued capital and reserves at the end of the year	<b>7.1%</b>	6.6%				
Net earnings per share in cents based on existing issued share capital	<b>10.81</b>	12.17				
Net tangible assets backing per share	<b>S\$1.53</b>	<b>S\$1.85</b>				

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\$377,000 (1999: S\$2,865,000 for the Group and S\$2,888,000 for the Company). There are no pre-acquisition profits nor any profits from sale of properties.

## 2. Directors' Comments

Group profit after tax was 11.2% lower than that of the preceding year. This was due mainly to provision for diminution in value of investments this year as against a writeback last year and higher taxation, partially offset by higher profits on sale of investments and dividend income. Net tangible assets backing per share decreased by 17.3% to S\$1.53 as at 31 December 2000.

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 2000 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 2000.

## 3. Current Year's Prospects

The current year's outlook is clouded by questions over the severity and extent of the economic slowdown in the US. The performance of the technology sector and NASDAQ, in particular, will continue to be a key influence on the global equity market outlook.

It seems clear that global economic growth is headed for a slowdown. Inflation pressures will ease assisted by weaker energy prices. Interest rates across the globe should also trend downward helping to offset the effects of earnings slowdown.

After an extraordinarily difficult year in terms of stock market performance, there are reasonable grounds for a better overall investment performance, taking into account the rather attractive valuation levels in Singapore and Asia excluding Japan.

## 4. Dividend

- (i) The Directors propose to recommend a first and final dividend of 6.5% less tax at 25.5% and an additional special bonus dividend of 5% less tax at 25.5% in respect of the financial year ended 31 December 2000. The proposed dividends, if approved at the Annual General Meeting to be convened on 21 April 2001, will be paid on 15 May 2001.

	Company	
	2000	1999
(ii) Annual dividend per ordinary share (including special bonus dividend of 5%)	<b>11.5 cents</b> <b>(less 25.5% tax)</b>	11.5 cents (less 25.5% tax)
(iii) Total annual dividend (net)	<b>S\$11,912,412</b>	S\$11,912,402

## 5. Balance Sheet As At 31 December 2000

	Group		Company	
	2000 S\$'000	1999 S\$'000	2000 S\$'000	1999 S\$'000
Quoted investments	189,432	253,208	189,432	253,208
Unquoted share in subsidiary at cost	-	-	8,000	8,000
Current assets	39,217	21,636	29,737	6,076
Less: Current liabilities	(15,714)	(17,002)	(15,568)	(15,779)
Net current assets/(Liabilities)	23,503	4,634	14,169	(9,703)
Less: Deferred taxation	(3)	(1)	(3)	(1)
	<b>212,932</b>	<b>257,841</b>	<b>211,598</b>	<b>251,504</b>
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	24,753	72,914	24,753	72,914
Exchange fluctuation reserve	(4,760)	(4,971)	(4,760)	(4,971)
Revenue reserve	32,461	29,420	31,127	23,083
	<b>212,932</b>	<b>257,841</b>	<b>211,598</b>	<b>251,504</b>

## 6. Composition Of Assets

	S\$'000	%
Equities	154,682	72.6
Fixed income securities	44,043	20.7
Cash and other liquid assets	14,207	6.7
Total	<u>212,932</u>	<u>100.0</u>

## 7. Top Ten Holdings

### Counter

United Overseas Bank Limited  
 United Overseas Land Limited  
 DBS Group Holdings Limited  
 Singapore Press Holdings Limited  
 Republic of Korea 8.875% Due April 2008  
 Total Access Communication 2% Due May 2006  
 Korea Exchange Bank 13.75% Due June 2010  
 Singapore Airlines Limited  
 United Kingdom Treasury Strip 0% Due December 2005  
 Tingyi Holding Corporation Limited 1.625% Due July 2002

## 8. Changes In Share Capital

There was no change in the issued share capital during the period from 1 January 2000 to 31 December 2000.

## 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 2001 to 4 May 2001, both dates inclusive, for the preparation of dividend warrants. Registrable transfers received by the Company's Registrar, Lim Associates (Pte) Ltd, 10 Collyer Quay #19-08, Ocean Building, Singapore 049315, up to 5.00 pm on 2 May 2001 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, will be paid by the Company to CDP who will distribute the dividends to the holders of the securities accounts.

By Order Of The Board

Mrs Vivien Chan  
Company Secretary  
Dated this 21st day of February 2001