

GREAT EASTERN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199903008M)

FINANCIAL RESULTS FOR FIRST QUARTER 2007

The Board of Directors of Great Eastern Holdings Limited is pleased to announce its unaudited financial results of the Group and the Company for the first quarter ended 31 March 2007.

1 GROUP PROFIT AND LOSS STATEMENTS

in Singapore Dollars (millions)	1st Quarter 2007	1st Quarter 2006	%
			+ / (-)
Turnover ⁽¹⁾	2,094.2	1,778.7	18
Gross Premiums	1,269.9	1,197.8	6
Life assurance profit from:			
Participating Fund	25.6	26.6	(4)
Non-participating Fund	53.4	40.5	32
Investment-linked Fund	19.9	13.9	43
Profit from life assurance	98.9	81.0	22
Profit from general insurance	11.0	3.4	nm
Profit from insurance operations	109.9	84.4	30
Investment income, net	23.1	18.5	25
Gain on sale of investments and changes in fair value	14.7	18.0	(18)
Gain/(Loss) in exchange differences	0.5	(13.3)	nm
Profit from investments	38.3	23.2	65
Fees and other income	22.3	17.1	30
Profit before expenses	170.5	124.7	37
less:			
Management and other expenses	11.8	7.8	51
Depreciation and amortisation	0.2	0.3	(33)
Expenses	12.0	8.1	48
Profit after expenses	158.5	116.6	36
Share of results of associates	3.1	-	nm
Share of results of joint ventures	(0.7)	(0.7)	-
Profit before income tax	160.9	115.9	39
less: Income tax	22.3	17.5	27
Profit after income tax	138.6	98.4	41
Attributable to:			
Shareholders	134.5	95.3	41
Minority interest	4.1	3.1	32
	138.6	98.4	41
Basic and diluted earnings per share (in Singapore dollars)	\$ 0.28	\$ 0.20	

nm - not meaningful / exceeding 200%

⁽¹⁾ Turnover for the Group is derived from the summation of components as follows: (i) Gross investment income, Interest income, Gain/(loss) on sale of investments (excluding fair value changes on held-for-trading investments) and Fees and other income from the Profit and Loss Statement; (ii) Gross premiums, Commission Income, Gross investment income, Interest income, Rental income and Gain/(loss) on sale of investments (excluding fair value changes on held-for-trading investments) from the Life Assurance Revenue Statement and (iii) Gross premiums, Commission Income, Gross investment income, Interest income and Gain/(loss) on sale of investments (excluding fair value changes on held-for-trading investments) from the General Insurance Revenue Statement.

2 BALANCE SHEETS

in Singapore Dollars (millions)	Group			Company		
	31 March 2007	31 December 2006	% + / (-)	31 March 2007	31 December 2006	% + / (-)
Share capital	247.4	247.4	-	247.4	247.4	-
Reserves						
Merger reserve	125.8	125.8	-	545.0	545.0	-
Translation reserve	(19.6)	(20.3)	3	-	-	-
Fair value reserve	176.7	146.8	20	-	-	-
Accumulated profit	2,570.2	2,435.7	6	848.0	827.5	2
SHAREHOLDERS' FUND	3,100.5	2,935.4	6	1,640.4	1,619.9	1
MINORITY INTEREST	28.4	33.0	(14)	-	-	-
TOTAL EQUITY	3,128.9	2,968.4	5	1,640.4	1,619.9	1
LIABILITIES						
Income tax	228.4	219.1	4	-	-	-
Other creditors and interfund balances	1,292.0	996.9	30	2.7	2.5	8
Reinsurance liabilities	67.2	50.4	33	-	-	-
Unexpired risk reserve	60.5	55.6	9	-	-	-
Policy benefits	1,507.2	1,474.5	2	-	-	-
Claims admitted or intimated	142.0	148.8	(5)	-	-	-
Agents' retirement benefits	173.5	168.4	3	-	-	-
Deferred tax	401.0	345.4	16	-	-	-
General insurance fund	102.8	99.4	3	-	-	-
Life assurance fund	36,783.6	35,499.0	4	-	-	-
TOTAL EQUITY AND LIABILITIES	43,887.1	42,025.9	4	1,643.1	1,622.4	-
ASSETS						
Cash and bank balances	348.6	318.5	9	2.6	2.9	(10)
Cash on deposit	4,043.7	3,505.4	15	55.1	33.3	65
Other debtors and interfund balances	1,058.6	878.4	21	0.5	0.4	25
Outstanding premiums	127.9	154.5	(17)	-	-	-
Reinsurance assets	77.2	57.2	35	-	-	-
Loans	2,956.8	2,977.9	(1)	-	-	-
Investments	33,024.7	32,067.2	3	2.0	2.0	-
Associates and joint ventures	594.5	587.5	1	-	-	-
Subsidiaries	-	-	-	745.6	745.6	-
Amounts due from subsidiaries, associates and joint ventures	-	-	-	837.3	838.2	(0)
Goodwill and other intangible assets	111.8	107.6	4	-	-	-
Property, plant and equipment	747.0	604.1	24	-	-	-
Investment properties	796.3	767.6	4	-	-	-
TOTAL ASSETS	43,887.1	42,025.9	4	1,643.1	1,622.4	1
Net Asset Value per share (S\$)	6.55	6.20	6	3.47	3.42	1

nm - not meaningful / exceeding 200%

3 SELECTED MANAGEMENT EXPENSES

in Singapore Dollars (millions)	Shareholders' and General Insurance Funds		Life Assurance Fund	
	1st Quarter 2007	1st Quarter 2006	1st Quarter 2007	1st Quarter 2006
Directors' remuneration				
Directors of the Company	0.1	0.1	0.3	0.3
Auditors' remuneration				
Other fees paid to Ernst & Young, Singapore	-	-	0.1	-
Staff costs and related expenses (Including key management personnel compensation)	10.1	7.4	27.4	21.0
Rental expense	0.7	0.9	3.5	4.0
(Gain) / loss on disposal of property, plant and equipment	-	-	(9.4)	1.5
Depreciation and amortisation	0.3	0.4	9.2	9.5

4 GROUP FINANCIAL HIGHLIGHTS

	Group			% +/(-)
	1st Quarter 2007	1st Quarter 2006		
Turnover	(S\$millions) 2,094.2	1,778.7		18
Gross Premiums	(S\$millions) 1,269.9	1,197.8		6
Total Assets	(S\$millions) 43,887.1	39,810.5		10
Profit Attributable to Shareholders	(S\$millions) 134.5	95.3		41
Shareholders' Fund	(S\$millions) 3,100.5	2,739.3		13
Profit After Tax before Minority Interests as a % of Turnover	% 6.6%	5.5%		1.1 pp
Return on Equity (average Shareholders' Fund)	% 4.5%	3.6%		0.9 pp
Gross Premium Growth	% 6.0%	14.9%		-8.9 pp

5 GROUP STATEMENT OF CHANGES IN EQUITY

in Singapore Dollars (millions)	Attributable to shareholders of the Company						Minority Interest	Total Equity	
	Share Capital	Share Premium	Merger Reserve	Translation Reserve	Fair Value Reserve	Accumulated Profit			
Balance at 1 January 2007	247.4	-	125.8	(20.3)	146.8	2,435.7	2,935.4	33.0	2,968.4
Net profit/(loss) recognised directly in equity for period ended 31 March 2007									
Exchange differences arising on translation of overseas entities	-	-	-	0.7	-	-	0.7	0.4	1.1
Current year movements in Fair Value Reserve:									
Fair value changes on remeasuring available-for-sale investments	-	-	-	-	45.3	-	45.3	-	45.3
Fair value changes transferred to Profit and Loss Statement during the period	-	-	-	-	(15.3)	-	(15.3)	-	(15.3)
Deferred tax on fair value changes	-	-	-	-	(5.2)	-	(5.2)	-	(5.2)
Deferred tax - effect of change in tax rate	-	-	-	-	5.1	-	5.1	-	5.1
Net profit recognised directly in equity	-	-	-	0.7	29.9	-	30.6	0.4	31.0
Net profit for the period	-	-	-	-	-	134.5	134.5	4.1	138.6
Total recognised profit for the period	-	-	-	0.7	29.9	134.5	165.1	4.5	169.6
Dividends paid to minority interest	-	-	-	-	-	-	-	(9.1)	(9.1)
Balance at 31 March 2007	247.4	-	125.8	(19.6)	176.7	2,570.2	3,100.5	28.4	3,128.9
Balance at 1 January 2006	236.7	10.7	200.8	(10.1)	118.1	2,073.1	2,629.3	31.7	2,661.0
Net profit/(loss) recognised directly in equity for period ended 31 March 2006:									
Exchange differences arising on translation of overseas entities	-	-	-	0.2	-	-	0.2	-	0.2
Current year movements in Fair Value Reserve:									
Fair value changes on remeasuring available-for-sale investments	-	-	-	-	35.7	-	35.7	-	35.7
Fair value changes transferred to Profit and Loss Statement during the period	-	-	-	-	(18.1)	-	(18.1)	-	(18.1)
Deferred tax on fair value changes	-	-	-	-	(3.1)	-	(3.1)	-	(3.1)
Net profit recognised directly in equity	-	-	-	0.2	14.5	-	14.7	-	14.7
Net profit for the period	-	-	-	-	-	95.3	95.3	3.1	98.4
Total recognised profit for the period	-	-	-	0.2	14.5	95.3	110.0	3.1	113.1
Transfer of share premium to share capital	10.7	(10.7)	-	-	-	-	-	-	-
Dividends paid to minority interest	-	-	-	-	-	-	-	(9.7)	(9.7)
Balance at 31 March 2006	247.4	-	200.8	(9.9)	132.6	2,168.4	2,739.3	25.1	2,764.4

6 COMPANY STATEMENT OF CHANGES IN EQUITY

in Singapore Dollars (millions)	Share Capital	Share Premium	Merger Reserve	Accumulated Profit	Total
Balance at 1 January 2007	247.4	-	545.0	827.5	1,619.9
Net profit for the period	-	-	-	20.5	20.5
Balance at 31 March 2007	247.4	-	545.0	848.0	1,640.4
Balance at 1 January 2006	236.7	10.7	620.0	916.4	1,783.8
Net profit for the period	-	-	-	22.1	22.1
Transfer of share premium to share capital	10.7	(10.7)	-	-	-
Balance at 31 March 2006	247.4	-	620.0	938.5	1,805.9

7 CONSOLIDATED STATEMENT OF CASH FLOWS

in Singapore Dollars (millions)	1st Quarter 2007	1st Quarter 2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	160.9	115.9
Excess of income over expenses before income tax from life assurance revenue statement	192.7	27.1
Excess of income over expenses before income tax from general insurance revenue statement	15.7	4.9
Transfer (to)/from life assurance fund	(47.0)	97.3
Adjustments for non-cash items:		
Surplus transferred from life assurance fund but not yet withdrawn	(98.9)	(81.0)
Profit transferred from general insurance fund but not yet withdrawn	(11.0)	(3.4)
Share of results of associates and joint ventures	(20.3)	0.7
Amortisation of difference in purchase consideration over nominal value of government securities, loan stocks and bonds	2.9	7.4
Gain on sale of investments and changes in fair value	(449.0)	(261.9)
Loss on sale of properties held for sale	-	2.4
Decrease in provision for impairment of assets	(1.7)	(1.2)
Increase in provision for agents' retirement benefits	5.3	5.2
(Gain) / loss on disposal of property, plant and equipment and investment properties	(9.4)	1.5
Depreciation and amortisation	9.5	9.9
Unrealised loss in exchange differences	16.3	103.6
Dividend income	(74.8)	(75.3)
Interest income	(312.7)	(271.9)
	(621.5)	(318.8)
Changes in working capital:		
Reinsurance assets	(19.8)	(19.7)
Outstanding premiums	26.6	37.1
Other debtors and interfund balances	(180.2)	25.5
Insurance contract liabilities	577.5	98.2
Loss reserves	4.7	1.4
Claims admitted and intimated	(6.8)	(6.2)
Policy benefits	32.7	18.2
Unexpired risk reserve	4.7	5.7
Reinsurance liabilities	16.8	26.7
Other creditors and interfund balances	280.4	(121.1)
Cash generated/(used in) from operations	115.1	(253.0)
Income tax paid	(64.5)	(30.7)
Agents' retirement benefits paid	(1.7)	(3.0)
Net cash flows from/(used in) operating activities	48.9	(286.7)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	4,653.2	4,565.9
Purchase of investments	(4,658.4)	(4,189.1)
Proceeds from sale of properties held for sale	-	7.2
Proceeds from transfer of Dependents' Protection Scheme business from Central Provident Fund Board	-	123.8
Capital injection in associated and joint venture companies	10.1	(31.0)
Net cash outflow from acquisition of a subsidiary	-	(4.1)
Repayment of loan by subsidiary company	14.7	(13.6)
Proceeds from sale of property, plant and equipment and investment properties	14.1	1.9
Purchase of property, plant and equipment and investment properties	(27.8)	(18.6)
Addition of software development costs	(5.2)	-
Interest income received	312.7	271.9
Dividend received	74.8	75.3
Net cash flows from investing activities	388.2	789.6
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to minority interest	(9.1)	(9.7)
Net cash flows used in financing activities	(9.1)	(9.7)
Net effect of translation reserve adjustment	140.4	(5.7)
Net increase in cash and cash equivalents	568.4	487.5
Cash and cash equivalents at the beginning of the period	3,823.9	3,392.0
Cash and cash equivalents at the end of the period	4,392.3	3,879.5
Cash and cash equivalents comprise:		
Cash and bank balances	348.6	470.4
Cash on deposit	4,043.7	3,409.1
	4,392.3	3,879.5

8 GROUP SEGMENTAL INFORMATION

(A) By Geographical Segments

in Singapore Dollars (millions)	Singapore		Malaysia		Other Asia		Consolidated	
	2007	2006	2007	2006	2007	2006	2007	2006
(a) Shareholders' Fund								
Profit from insurance operations	47.4	42.6	62.5	41.2	-	0.6	109.9	84.4
Profit from investments	35.1	21.2	3.2	2.0	-	-	38.3	23.2
Fees and other income	22.3	17.1	-	-	-	-	22.3	17.1
Profit before expenses	104.8	80.9	65.7	43.2	-	0.6	170.5	124.7
Segment assets ^(8.1)	2,965.6	2,649.9	350.0	307.7	8.9	3.4	3,248.1	2,890.8
Investments in associates and joint ventures	120.5	30.3	-	-	-	-	120.5	30.3
Total assets employed ^(8.1)	3,086.1	2,680.2	350.0	307.7	8.9	3.4	3,368.6	2,921.1
Segment liabilities	56.3	39.0	1.9	1.7	-	-	58.2	40.7
Income tax and deferred tax liabilities	148.3	107.6	25.3	13.9	-	-	173.6	121.5
Total liabilities	204.6	146.6	27.2	15.6	-	-	231.8	162.2
Capital expenditure	-	0.1	-	-	-	-	-	0.1
(b) General Insurance Fund								
Premium income (net)	5.3	4.7	12.9	11.7	-	0.1	18.2	16.5
Increase in unexpired risk reserve during the period	(0.6)	(0.6)	(1.6)	(1.3)	-	-	(2.2)	(1.9)
Commissions received from reinsurers	2.1	2.5	2.6	2.5	-	-	4.7	5.0
Claims and increase in loss reserve	(1.4)	(2.4)	(5.8)	(5.7)	-	-	(7.2)	(8.1)
Depreciation and amortisation	-	-	(0.1)	(0.1)	-	-	(0.1)	(0.1)
Commissions and expenses	(3.4)	(3.3)	(6.5)	(5.7)	-	-	(9.9)	(9.0)
Net underwriting profit	2.0	0.9	1.5	1.4	-	0.1	3.5	2.4
Segment assets / Total assets employed	72.9	97.1	135.2	126.3	0.4	0.3	208.5	223.7
Segment liabilities	74.0	84.7	128.4	125.7	0.4	0.4	202.8	210.8
Income tax and deferred tax liabilities	6.8	6.6	6.8	0.8	-	-	13.6	7.4
Total liabilities	80.8	91.3	135.2	126.5	0.4	0.4	216.4	218.2
Capital expenditure	0.2	-	-	-	-	-	0.2	-
(c) Life Assurance Fund								
Premium income (net)	816.0	771.4	399.8	376.5	5.1	4.1	1,220.9	1,152.0
Commissions received from reinsurers	(1.3)	0.9	2.0	0.6	-	-	0.7	1.5
Investment and rental income	402.2	280.2	352.2	188.2	3.6	1.8	758.0	470.2
Decrease in provision for impairment of assets	1.7	1.2	-	-	-	-	1.7	1.2
Total income	1,218.6	1,053.7	754.0	565.3	8.7	5.9	1,981.3	1,624.9
Segment assets	24,333.0	23,466.8	15,260.8	12,979.3	242.2	210.9	39,836.0	36,657.0
Investments in associates and joint ventures	474.0	8.7	-	-	-	-	474.0	8.7
Total assets employed	24,807.0	23,475.5	15,260.8	12,979.3	242.2	210.9	40,310.0	36,665.7
Segment liabilities	24,513.5	23,140.8	15,112.0	12,879.2	242.4	210.7	39,867.9	36,230.7
Income tax and deferred tax liabilities	249.4	334.7	191.9	100.1	0.8	0.2	442.1	435.0
Total liabilities	24,762.9	23,475.5	15,303.9	12,979.3	243.2	210.9	40,310.0	36,665.7
Capital expenditure	5.5	6.8	18.0	11.7	4.0	-	27.5	18.5

(B) By Business Segments

in Singapore Dollars (millions)	Life Assurance Fund (Non-Linked)		Life Assurance Fund (Linked)		Consolidated	
	2007	2006	2007	2006	2007	2006
Premium income (net)	859.1	934.1	361.8	217.9	1,220.9	1,152.0
Commissions received from reinsurers	0.4	1.3	0.3	0.2	0.7	1.5
Investment and rental income	642.4	363.5	115.6	106.7	758.0	470.2
Decrease in provision for impairment of assets	1.7	1.2	-	-	1.7	1.2
Total income	1,503.6	1,300.1	477.7	324.8	1,981.3	1,624.9
Segment assets	36,513.8	34,026.3	3,322.2	2,630.7	39,836.0	36,657.0
Investments in associates and joint ventures	474.0	8.7	-	-	474.0	8.7
Total assets employed	36,987.8	34,035.0	3,322.2	2,630.7	40,310.0	36,665.7
Capital expenditure	27.5	18.5	-	-	27.5	18.5

^(8.1) elimination of inter-segment transactions - 2007: \$76.4 million (2006:\$70.2 million)

9 REVIEW OF RESULTS

The Group Financial Statements for the first quarter of 2007 (“Q1-07”) have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”) and Interpretations of FRS (“INT FRS”).

9.1 PROFIT ATTRIBUTABLE TO SHAREHOLDERS

Group profit attributable to shareholders for Q1-07 was \$134.5 million, 41% higher than \$95.3 million for Q1-06.

9.2 PROFIT FROM INSURANCE OPERATIONS

- (a) Profit from life assurance operations for Q1-07 was \$98.9 million, 22% higher than \$81.0 million for Q1-06.
- (b) Profit from the participating fund for Q1-07 was \$25.6 million, 4% lower than \$26.6 million for Q1-06.
- (c) Profit from the non-participating fund for Q1-07 was \$53.4 million, 32% higher than \$40.5 million in Q1-06 due largely to strong investment performance.
- (d) Profit from the investment-linked fund for Q1-07 was \$19.9 million, 43% higher than \$13.9 million in Q1-06. This was due to sustained efforts and focus in this product segment, despite stiff competition in Singapore and Malaysia.
- (e) Profit from the general insurance operations for Q1-07 tripled to \$11 million as compared with Q1-06. The higher profit for Q1-07 was due to improvements in underwriting profit and investment performance in Singapore and Malaysia.

9.3 PROFIT FROM INVESTMENTS OF SHAREHOLDERS’ FUND

Pre-tax profit from investments in the shareholders’ fund for Q1-07 was \$38.3 million, 65% higher than \$23.2 million in Q1-06. The hedging of the foreign currency exposure in the fixed income portfolio in the Shareholders’ Fund mitigated the mark-to-market loss on foreign exchange experienced in Q1-06.

9.4 FEES AND OTHER INCOME

Pre-tax fees and other income for Q1-07 was \$22.3 million, 30% higher than \$17.1 million for Q1-06 due to increase in assets under management.

9.5 MANAGEMENT AND OTHER EXPENSES

Management and other expenses for Q1-07 amounted to \$11.8 million, 51% higher than \$7.8 million for Q1-06. The increase was due to expenses incurred in regional expansion in China, Indonesia and Vietnam.

9.6 SHARE OF RESULTS OF ASSOCIATE

Share of profit of an associate hedge fund contributed \$3.1 million for Q1-07 and nil for Q1-06.

9.7 SHARE OF RESULTS OF JOINT VENTURE

The share of loss of joint venture was \$0.7 million for Q1-07, similar to that in Q1-06. This is in respect of the Group's 50% share of life insurance operations in Chongqing, China.

9.8 INCOME TAX

The Singapore corporate tax rate was reduced to 18% with effect from Year of Assessment 2008. The Malaysia corporate tax rate was reduced to 27% and 26% with effect from Years of Assessment 2007 and 2008 respectively. The financial effects on the Group Profit and Loss Statement for Q1-07 was \$1.9 million, and Group Statement of Changes in Equity was \$5.1 million.

Income tax expense for Q1-07 was \$22.3 million, 27% higher than \$17.5 million for Q1-06 due primarily to the Malaysia segment.

Profits from insurance funds in Singapore and general insurance fund in Malaysia were reported net of tax in the profit and loss statement. The effective tax rate for Q1-07 was 21%, compared with 25% for Q1-06.

9.9 EARNINGS PER SHARE, RETURN ON EQUITY AND NET ASSET VALUE

Earnings per share for Q1-07 reported \$0.28, 40% higher than \$0.20 for Q1-06.

Return on equity for Q1-07 was 4.5%, higher than 3.6% for Q1-06.

Net asset value as at 31 March 2007 increased to \$6.55 per share, 6% higher than \$6.20 per share as at 31 December 2006.

9.10 GROUP ASSETS

Total assets of the Group increased to \$43.9 billion as at 31 March 2007, representing a 4% increase over \$42.0 billion as at 31 December 2006.

10 ACCOUNTING POLICIES

The Group adopted the accounting policies and methods of computation for the financial statements for Q1-07, consistent with the audited financial statements for the year ended 31 December 2006, except for FRS 40, Investment Property which is effective from 1 January 2007.

With the adoption of FRS 40, investment properties can be stated at either fair value or cost less accumulated depreciation. Investment properties of the Group reside predominantly in the Participating Life Assurance Funds. On adoption of FRS 40, the Group measures all investment properties at fair value unless it cannot be reliably determined on an ongoing basis. The gains or losses arising from changes in the fair value of investment properties are included in the Revenue Statements or Profit and Loss Statement in the year in which they arise. As permitted by the transitional provisions of FRS 40, the revaluation gain was taken to the Life Assurance Fund on 1 January 2007.

The adoption of the revised and new FRS and INT FRS which came into effect on 1 January 2007 did not have any material financial impact on the Group's results for Q1-07.

11 UNAUDITED RESULTS

The consolidated Group financial results for the first quarter ended 31 March 2007 have not been audited by the Auditors of the Company.

12 FACTORS THAT MAY AFFECT GROUP PERFORMANCE IN THE NEXT REPORTING AND/OR 12-MONTH PERIOD

The Group's performance is affected by local, regional and global economic conditions and growth. The economic outlook is positive. However, earnings from the Group's insurance operations and investments will continue to be sensitive to the changes in the commodities, interest rates and equity markets.

The Group continues to intensify efforts to expand its regional footprint with particular focus in Malaysia, China, Indonesia and Vietnam. The building of a talent pool and the acceleration of business development activities in regional markets are expected to increase management expenses.

13 BORROWINGS, CONTINGENT LIABILITIES AND LONG TERM LIABILITIES

There were no borrowings or contingent liabilities for the Group as at 31 March 2007 (31 December 2006: nil). The Group has maintained strong liquidity for its business operations.

14 SHARE CAPITAL

The Company's issued and paid up share capital amounted to \$247.4 million as at 31 March 2007 (31 December 2006: \$247.4 million).

15 DIVIDEND

No interim dividend has been declared in the first quarter of 2007 (first quarter 2006: nil).

16 CONFIRMATION BY DIRECTORS

The Directors of the Company confirm pursuant to Rule 705(4) of the Listing Manual 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 unaudited financial results of the Company and of the Group for the first quarter ended 31 March 2007 to be false or misleading.

BY ORDER OF THE BOARD

Elizabeth Teoh
Group Company Secretary
Singapore
7 May 2007