



G. K. GOH HOLDINGS LIMITED
Financial Statements
And Dividend Announcement
For Second Quarter Ended 30 June 2009

(Co. Reg. No. 199000184D)

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REVIEW OF PERFORMANCE OF THE GROUP

Group profits attributable to Members of the Company for the 3 months to June amounted to S\$2.4 million, compared to S\$2.5 million in the same period a year ago. For the 6 months to June, however, Group after-tax losses attributable to Members of the Company amounted S\$12.7 million (2008: loss of S\$5.1 million). This figure does not include unrealized gains on long-term investments, which is included in the Statement of Comprehensive Income. Total Comprehensive Income amounted to S\$9.7 million for the June quarter (S\$0.7 million in 2Q 2008), and to S\$0.3 million for the half year (loss of S\$22.4 million in 1H 2008).

We ended the June quarter with a net asset value of S\$274.7 million. This is slightly lower than the level reported in December 2008. Because of share buybacks, our NAV per share has remained unchanged at 86 cents.

Our investment returns were satisfactory in the context of our modest risk appetite, which saw our short-term investment book increase from S\$12.8 million at the end of 2008 to S\$25.3 million at the end of June. Investment income for the 3 months amounted to S\$9.3 million, compared with a loss of S\$8.2 million in the first quarter and a profit of S\$2.0 million in the second quarter of 2008. Cumulatively, our investment returns for the first half showed a profit of S\$1.1 million. This figure excludes the fair value surplus on our long-term investments. This increased by S\$9.5 million in the June quarter, and by S\$14.5 million across the first half of 2009.

Boardroom Limited (33% associate) continues to be resilient with its June quarter contribution amounting to S\$0.8 million.

Our results were however negatively affected on three fronts. First, our associate Eastern & Oriental Bhd (“E&O”) reported a loss in its March quarter largely following the sale of a development property. Accordingly, we have recorded a S\$3.3 million loss in our June quarter as our accounting practice is to recognize E&O’s contribution with a lag of one quarter. Second, we made an impairment provision of S\$2.5 million on our Japanese foreign exchange joint venture with Kanetsu. Third, our foreign exchange broking business saw a steep decline in revenues as clients reacted to losses in the preceding periods by cutting their trading activity. This resulted in a loss of S\$0.7 million.

In April, we invested a further S\$8.3 million in euNetworks Group Limited (“EUN”) by subscribing to its rights issue, raising our stake to 9%. The capital raisings at EUN have considerably strengthened the company’s financial position. Together with changes to the board and with the recruitment of a new CEO, we believe it is now better placed to address the large potential for its fibre networks in Europe.

VARIANCE BETWEEN PREVIOUS PROSPECT STATEMENT AND ACTUAL RESULTS

None

COMMENTARY ON PROSPECTS

Of our operating investments, we do not expect a turnaround in futures and foreign exchange broking in the current quarter, and our management is examining ways to strengthen and broaden the business. Boardroom is expected to remain stable, while E&O should return to profit following the successful launch of the first block of its St Mary's development in Kuala Lumpur in June.

We have agreed to support a rights issue at E&O to fund its development plans in Kuala Lumpur and Penang, and to reinforce its ability to take advantage of any opportunities that may arise from market dislocations.

The dramatic rebound in global markets from the point of maximum despair in March was both large and swift. We entered the quarter with high cash levels, and only gradually made investments as it became clearer that the stimulus measures around the world were starting to develop some positive responses. Although we have increased our exposures, we remain conservatively positioned, and remain in the camp that expects any recovery in developed economies to be slow and fitful. The risk of a return to the March lows has receded significantly with the easing of credit and as companies have used the rebound to fortify balance sheets. Nonetheless, there remains a distinct possibility that markets will have periodic and sharp declines as the global crisis continues to play out. Consequently, we will continue to set high hurdles as we explore investment opportunities in the months ahead.

Given the large risks that still remain, our financial results for the coming quarter and the next year will continue to be significantly dependent on the mark-to-market valuations of our investments.

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INCOME STATEMENT

(Amounts in Singapore dollars)
(These figures have not been audited)

	Note	Group 3 months ended			Group 6 months ended		
		30 Jun 2009 \$'000	30 Jun 2008 \$'000	+ / (-) %	30 Jun 2009 \$'000	30 Jun 2008 \$'000	+ / (-) %
Continuing operations							
Revenue							
Commission and broking income		300	1,545	(81)	936	2,829	(67)
Investment income / (loss)		9,305	1,976	371	1,065	(13,718)	NM
Other income		899	1,358	(34)	1,872	2,343	(20)
Total revenue		<u>10,504</u>	<u>4,879</u>	115	<u>3,873</u>	<u>(8,546)</u>	NM
Cost and expenses							
Commission paid to agents		(56)	(458)	(88)	(117)	(787)	(85)
Employees' compensation and related costs		(1,045)	(1,203)	(13)	(2,078)	(2,380)	(13)
Office and equipment rental costs		(148)	(149)	(1)	(296)	(298)	(1)
Depreciation		(205)	(284)	(28)	(421)	(570)	(26)
Technology and information service costs		(208)	(183)	14	(365)	(379)	(4)
(Loss) / gain on foreign currency exchange		(782)	(263)	197	(1,920)	354	NM
Impairment of investment property		-	-	NM	(2,594)	-	NM
(Provision) / write-back of doubtful debts		(12)	110	NM	(33)	195	NM
Other operating expenses		(441)	(680)	(35)	(993)	(1,301)	(24)
Total cost and expenses		<u>(2,897)</u>	<u>(3,110)</u>	(7)	<u>(8,817)</u>	<u>(5,166)</u>	71
Profit / (loss) from continuing operating activities							
		7,607	1,769	330	(4,944)	(13,712)	(64)
Finance costs		(44)	(128)	(66)	(102)	(252)	(60)
Share of (loss) / profit of associated companies		(2,508)	1,037	NM	(4,239)	8,680	NM
Impairment of associated companies		(2,515)	-	NM	(2,515)	-	NM
Profit / (loss) before taxation	B	2,540	2,678	(5)	(11,800)	(5,284)	123
Taxation	C	(1,077)	(167)	545	(2,004)	1,834	NM
Profit / (loss) for the period		1,463	2,511	(42)	(13,804)	(3,450)	300
Profit / (loss) attributable to:							
Members of the Company		2,380	2,528	(6)	(12,703)	(5,066)	151
Minority interest		(917)	(17)	5,294	(1,101)	1,616	NM
		<u>1,463</u>	<u>2,511</u>	(42)	<u>(13,804)</u>	<u>(3,450)</u>	300

NM : Not meaningful

Earnings / (loss) per share

Basic and diluted:	E	0.75 cents	0.77 cents	(3.99) cents	(1.55) cents
- continuing operations:		0.75 cents	0.77 cents	(3.99) cents	(1.55) cents
- discontinued operations:		-	-	-	-

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STATEMENT OF COMPREHENSIVE INCOME

(Amounts in Singapore dollars)

(These figures have not been audited)

	Note	Group			Group		
		3 months ended		+ / (-) %	6 months ended		+ / (-) %
		30 Jun 2009	30 Jun 2008		30 Jun 2009	30 Jun 2008	
		\$'000	\$'000	\$'000	\$'000		
Profit / (loss) net of tax		1,463	2,511	(42)	(13,804)	(3,450)	300
Other comprehensive income							
Net gain / (loss) on long-term investments		9,488	1,397	579	14,531	(12,923)	NM
Net change in hedging reserve		-	(242)	NM	-	(155)	NM
Share of other comprehensive loss of associated companies		(1)	(43)	(98)	(1)	(1,439)	(100)
Foreign currency translation		(1,232)	(2,933)	(58)	(453)	(4,404)	(90)
Other comprehensive income / (loss) for the period		8,255	(1,821)	NM	14,077	(18,921)	NM
Total comprehensive income / (loss) for the period		9,718	690	1,308	273	(22,371)	NM
Total comprehensive income / (loss) attributable to:							
Members of the Company		10,849	1,616	571	1,482	(22,558)	NM
Minority interest		(1,131)	(926)	22	(1,209)	187	NM
		9,718	690	1,308	273	(22,371)	NM

NM : Not meaningful

Financial Statements

BALANCE SHEETS

(Amounts in Singapore dollars)
(These figures have not been audited)

	Note	Group		Company	
		30 Jun 2009	31 Dec 2008	30 Jun 2009	31 Dec 2008
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment		570	696	-	-
Investment properties		23,827	26,614	-	-
Subsidiary companies		-	-	26,283	21,682
Associated companies		109,662	117,893	9,363	11,664
Long-term investments		62,435	48,146	-	-
Deferred tax asset		1,586	5,669	-	-
Other receivables		2,019	3,829	-	-
Current assets					
Amounts receivable from subsidiary companies		-	-	167,355	170,328
Amounts receivable from associated company		868	288	-	-
Trade debtors		3,777	4,201	-	-
Other debtors		1,422	3,767	42	533
Financial assets		25,270	12,799	-	-
Cash and bank balances		108,196	135,012	45,791	48,936
		139,533	156,067	213,188	219,797
Current liabilities					
Trade creditors		36,640	52,456	-	-
Other creditors		6,735	8,653	4,529	6,019
Bank borrowings	D	650	650	-	-
Provision for taxation		2,653	2,576	1,794	1,688
		46,678	64,335	6,323	7,707
Net current assets		92,855	91,732	206,865	212,090

Financial Statements

BALANCE SHEETS (Continued)

	Note	Group		Company	
		30 Jun 2009	31 Dec 2008	30 Jun 2009	31 Dec 2008
		\$'000	\$'000	\$'000	\$'000
Non-current liabilities					
Bank borrowings	D	(11,429)	(11,754)	-	-
Deferred tax liability		(697)	(663)	(550)	(502)
Net assets		<u>280,828</u>	<u>282,162</u>	<u>241,961</u>	<u>244,934</u>
Equity					
Share capital		183,112	183,112	183,112	183,112
Capital reserve		271	270	137	137
Revenue reserve		92,635	109,151	58,712	61,685
Fair value adjustment reserve		6,162	(8,369)	-	-
Foreign currency translation reserve		(7,466)	(7,119)	-	-
		<u>274,714</u>	<u>277,045</u>	<u>241,961</u>	<u>244,934</u>
Minority interest		6,114	5,117	-	-
Total equity		<u>280,828</u>	<u>282,162</u>	<u>241,961</u>	<u>244,934</u>

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STATEMENTS OF CHANGES IN EQUITY

(Amounts in Singapore dollars)

(These figures have not been audited)

Attributable to Members of the Company

2009 Group	Note	Equity attributable to Members of the Company					Attributable to Members of the Company			Minority Interests \$'000		
		Equity Total \$'000	Equity attributable to Members of the Company \$'000	Share Capital \$'000	Revenue Reserve \$'000	Other Reserves \$'000	Capital Reserve \$'000	Fair Value Adjustment Reserve \$'000	Hedging Reserve \$'000		Foreign Currency Translation Reserve \$'000	
		Opening balance at 1 April 2009	272,086	267,047	183,112	93,437	(9,502)	271	(3,326)	-	(6,447)	5,039
		Total comprehensive income for the period	9,718	10,849	-	2,380	8,469	-	9,488	-	(1,019)	(1,131)
		Shares issuance to minority shareholders	2,206	-	-	-	-	-	-	-	-	2,206
		Dividends on ordinary shares paid	(3,182)	(3,182)	-	(3,182)	-	-	-	-	-	-
		Closing balance at 30 June 2009	280,828	274,714	183,112	92,635	(1,033)	271	6,162	-	(7,466)	6,114

Attributable to Members of the Company

2008 Group	Note	Equity attributable to Members of the Company					Attributable to Members of the Company			Minority Interests \$'000		
		Equity Total \$'000	Equity attributable to Members of the Company \$'000	Share Capital \$'000	Revenue Reserve \$'000	Other Reserves \$'000	Capital Reserve \$'000	Fair Value Adjustment Reserve \$'000	Hedging Reserve \$'000		Foreign Currency Translation Reserve \$'000	
		Opening balance at 1 April 2008	400,196	388,183	183,112	211,575	(6,504)	267	938	242	(7,951)	12,013
		Total comprehensive income for the period	690	1,616	-	2,502	(886)	(1)	1,397	(242)	(2,040)	(926)
		Dividends on ordinary shares paid	(16,380)	(16,380)	-	(16,380)	-	-	-	-	-	-
		Closing balance at 30 June 2008	384,506	373,419	183,112	197,697	(7,390)	266	2,335	-	(9,991)	11,087

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STATEMENTS OF CHANGES IN EQUITY (Continued)

2009 Company	Note	Equity Total \$'000	Share Capital \$'000	Revenue Reserve \$'000	Other Reserves \$'000
Opening balance at 1 April 2009		245,790	183,112	62,541	137
Total comprehensive income for the period		(647)	-	(647)	-
Dividends on ordinary shares paid		(3,182)	-	(3,182)	-
Closing balance at 30 June 2009		241,961	183,112	58,712	137

2008 Company	Note	Equity Total \$'000	Share Capital \$'000	Revenue Reserve \$'000	Other Reserves \$'000
Opening balance at 1 April 2008		289,618	183,112	106,369	137
Total comprehensive income for the period		3,281	-	3,281	-
Dividends on ordinary shares paid		(16,380)	-	(16,380)	-
Closing balance at 30 June 2008		276,519	183,112	93,270	137

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CONSOLIDATED STATEMENT OF CASH FLOW

(Amounts in Singapore dollars)

(These figures have not been audited)

	Group	
	3 months ended	
	30 Jun 2009	30 Jun 2008
	\$'000	\$'000
Cash flow from operating activities:		
Profit before taxation	2,540	2,678
Adjustments for :-		
Depreciation of property, plant and equipment	205	284
Gain on disposal of property, plant and equipment	-	(1)
Interest expense	44	128
Interest income	(240)	(516)
Dividend income	(261)	(580)
Loss on sale of long-term investments	1,134	2,597
Provision / (write-back) of allowance for doubtful debts	12	(110)
Fair value adjustment	(6,188)	(2,528)
Share of loss / (profit) of associated companies	2,508	(1,037)
Impairment of associated companies	2,515	-
Operating profit before reinvestment in working capital	2,269	915
Decrease / (increase) in debtors	2,609	(7,842)
(Increase) / decrease in short-term investments	(9,322)	11,623
(Decrease) / increase in creditors	(563)	8,995
Cash flow (used in) / from operations	(5,007)	13,691
Interest paid	(46)	(127)
Interest received	179	450
Income tax paid	-	(4,341)
Net cash (used in) / from operating activities	(4,874)	9,673

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CONSOLIDATED STATEMENT OF CASH FLOW (Continued)

	Group	
	3 months ended	
	30 Jun 2009	30 Jun 2008
	\$'000	\$'000
Cash flow from investing activities:		
Purchase of property, plant and equipment	(46)	(18)
Proceeds from disposal of property, plant and equipment	-	3
Purchase of long-term investments	(10,081)	(3,480)
Proceeds from sale of long-term investments	5,278	9,803
Investment in associated company	-	(8,323)
Proceeds from disposal of associated companies	-	1,796
Net dividend received from associated companies	343	1,629
Dividend income	232	580
Net cash (used in) / from investing activities	<u>(4,274)</u>	<u>1,990</u>
Cash flow from financing activities:		
Dividends paid	(3,182)	(16,380)
Proceeds from issuance of shares to minority shareholders	2,206	-
(Repayment of) / proceeds from bank borrowings	(163)	4,837
Net cash used in financing activities	<u>(1,139)</u>	<u>(11,543)</u>
Net (decrease) / increase in cash and cash equivalents	(10,287)	120
Effect of exchange rate changes in opening cash and cash equivalents	316	(2)
Cash and cash equivalents at beginning of period	118,167	102,329
Cash and cash equivalents at end of period	<u>108,196</u>	<u>102,447</u>

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NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2009

(Amounts in Singapore dollars)
(These figures have not been audited)

A. SHARE CAPITAL

In the second quarter ended 30 June 2009, no shares were purchased or issued by the Company (2008: Nil).

B. REVENUE AND EXPENSES

Profit before taxation includes the following:

	Group 3 months ended		Group 6 months ended	
	30 Jun 2009 \$'000	30 Jun 2008 \$'000	30 Jun 2009 \$'000	30 Jun 2008 \$'000
Investment income / (loss) –				
Fair value adjustment for short-term investments	4,438	3,246	5,599	(8,569)
Fair value adjustment for long-term investments	1,750	(718)	3,125	(2,507)
Impairment loss for other receivables	-	-	(343)	-
Gain on sale of short-term investments	4,251	2,045	1,197	699
Loss on sale of long-term investments	(1,134)	(2,597)	(8,513)	(3,341)
Gross dividend income –				
Quoted investments	261	580	343	773
Interest income -				
Fixed deposits	77	256	206	583
Others	163	260	321	536
Finance cost –				
Interest expense -				
Bank loans and overdrafts	(37)	(73)	(78)	(128)
Others	(7)	(55)	(24)	(124)

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

C. TAX

	Group 3 months ended		Group 6 months ended	
	30 Jun 2009 \$'000	30 Jun 2008 \$'000	30 Jun 2009 \$'000	30 Jun 2008 \$'000
Current taxation				
Current year	(115)	(154)	(153)	(228)
(Under) / overprovision in respect of prior years	-	(18)	-	(18)
Deferred tax	(962)	5	(1,851)	2,080
	<u>(1,077)</u>	<u>(167)</u>	<u>(2,004)</u>	<u>1,834</u>

D. AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	Secured		Unsecured	
	30 Jun 2009 \$'000	31 Dec 2008 \$'000	30 Jun 2009 \$'000	31 Dec 2008 \$'000
Amount due within one year	650	650	-	-
Amount due after one year	11,429	11,754	-	-
	<u>12,079</u>	<u>12,404</u>	<u>-</u>	<u>-</u>

The bank borrowing is secured against an investment property held by a subsidiary company.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

E. EARNINGS / (LOSS) PER SHARE

- (a) Basic earnings / (loss) per share ("EPS") is calculated by dividing the profit attributable to shareholders after deducting minority interest of \$2,380,000 (2008: \$2,528,000) by the weighted average number of ordinary shares in issue during the period of 318,179,000 (2008: 327,607,000).
- (b) Fully diluted EPS is calculated after adjusting for those shares not yet exercised under the 2000 SOS as follows:-

	Group 3 months ended		Group 6 months ended	
	30 Jun 2009 \$'000	30 Jun 2008 \$'000	30 Jun 2009 \$'000	30 Jun 2008 \$'000
Weighted average number of ordinary shares outstanding used in the calculation of fully diluted EPS	318,179	327,607	318,679	327,607

There are no outstanding share options as at 30 June 2009.

F. NET ASSET VALUE PER SHARE

	Group		Company	
	30 Jun 2009	31 Dec 2008	30 Jun 2009	31 Dec 2008
Net asset value per share based on existing issued share capital as at the end of the respective period	86.34 cts	86.66 cts	76.05 cts	76.62 cts

G. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The accounting policies have been consistently applied by the Company and by the Group and are consistent with those used in the previous financial year.

Financial Statements

DIVIDENDS

	Group and Company 3 months ended	
	30 Jun 2009 \$'000	30 Jun 2008 \$'000
Final dividends paid, 1 cent per ordinary share, one-tier tax exempt (2008: 5 cents per ordinary share)	3,182	16,380

No dividend was declared or recommended during the period ended 30 June 2009 (2008: Nil).

AUDIT

These Financial Statements have not been audited or reviewed by the Auditors.

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4)

The Board of Directors hereby confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited Financial Statements of the Company and of the Group for the second quarter ended 30 June 2009 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary

5 August 2009
Singapore