



G. K. GOH HOLDINGS LIMITED
Financial Statements
And Related Announcement
For Third Quarter Ended 30 September 2011

(Co. Reg. No. 199000184D)

TABLE OF CONTENTS

1.	REVIEW OF PERFORMANCE OF THE GROUP	2
2.	VARIANCE BETWEEN PREVIOUS PROSPECT STATEMENT AND ACTUAL RESULTS	3
3.	COMMENTARY ON PROSPECTS	3
4.	INCOME STATEMENT	4
5.	STATEMENT OF COMPREHENSIVE INCOME	5
6.	BALANCE SHEETS	6
7.	STATEMENTS OF CHANGES IN EQUITY	8
8.	CONSOLIDATED STATEMENT OF CASH FLOW	11
9.	NOTES TO THE FINANCIAL STATEMENTS	
	A. SHARE CAPITAL	13
	B. REVENUE AND EXPENSES	13
	C. TAX	14
	D. AGGREGATE AMOUNT OF GROUP'S BORROWINGS	14
	E. EARNINGS PER SHARE	14
	F. NET ASSET VALUE PER SHARE	14
	G. ACCOUNTING POLICIES	15
10.	DIVIDENDS	15
11.	AUDIT	15
12.	INTERESTED PERSON TRANSACTIONS	15
13.	CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)	15

REVIEW OF PERFORMANCE OF THE GROUP

For the quarter ended 30th September, group profits totalled S\$42.8 million. As announced earlier, we sold a major part of our investment in Eastern & Oriental Berhad (“E&O”), realising proceeds of S\$99.0 million and a gain on disposal of S\$53.7 million. We have been investors in E&O since 2006, and we intend to retain our remaining stake in the company as we continue to hold a positive view of its long-term prospects.

Our overall profits were dragged down by S\$7.9 million of marked-to-market and realised losses on our investment portfolio. Although we had cut back exposures earlier in the year, the value of our investments declined in line with equity markets as the European crisis grew more severe. For the nine months to September, our portfolio loss was S\$5.5 million.

Included in our forex broking income, on a more positive note, G. K. Goh Financial Services (S) Pte Ltd benefitted from the higher turnover, generating revenues of S\$15.2 million and profits of S\$1.7 million for the first nine months of this financial year as compared to revenues of S\$1.3 million and losses of S\$2.4 million last year.

Boardroom Limited contributed stable earnings of S\$0.7 million. Our financial associate Platinum Holdings Company Limited saw some writedowns in the value of its investments. Overall our associates contributed a slight loss of S\$0.2 million.

Note that E&O ceased to be an associate of the company during this quarter, following the reduction in our stake. As a consequence of the change in category from Associate to Long-term Investment, our remaining stake in E&O has been revalued at MYR 1.45 per share, this being the market price on the day of the agreed transaction. Long-term Investments have consequently grown from S\$72.0 million at the end of 2010, to S\$131.6 million at the end of September. There is a corresponding decrease in the value of Associated Companies.

The group’s other comprehensive income for the 3rd quarter amounted to S\$4.2 million. Of this S\$1.8 million relates to the fair value changes of our available-for-sale investments and the balance to reversal of translation loss on E&O upon its disposal. Total comprehensive income amounted to S\$47.0 million for the quarter, and S\$53.2 million for the nine months to September.

Among our costs, the increase in commission paid to agents largely relates to our forex brokerage operations, which have grown significantly in turnover since our new trading platform was launched in October 2010. The increase in employee’s compensation reflects provisions for contractually-agreed profit-based incentives.

Earnings per share amounted to 13.5 cents for the 3rd quarter, and 16.9 cents for the first nine months of the year.

REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)

With the E&O transaction, cash balances have ballooned to S\$207.2 million (inclusive of S\$61.3 million customers' funds from our forex brokerage business). Our investment portfolio, which had been cut back over the preceding months, stood at S\$41.9 million, compared with S\$66.8 million at the end of 2010. Net current assets now stands at S\$160.4 million, compared with \$116.9 million.

The group's net asset value now stands at 112.3 cents, up from 98.6 cents at the end of 2010.

Dividends

The Directors are pleased to declare an interim one-tier tax-exempt dividend of 2 cents per ordinary share in respect of the current financial year.

VARIANCE BETWEEN PREVIOUS PROSPECT STATEMENT AND ACTUAL RESULTS

None

COMMENTARY ON PROSPECTS

Macroeconomic concerns continue to weigh on global financial markets, and the path ahead remains very uncertain. However, our balance sheet is now very liquid, and we are well placed to make new investments when appropriate. We will continue to be conservative in our risk tolerance.

In September, the Company announced that it had agreed to sell five contiguous shophouses in Singapore's Tanjong Pagar district for a consideration of S\$32.8 million. Completion is expected in December. Assuming successful completion, a profit of S\$7.3 million will be booked in the 4th quarter accounts.

Financial Statements

INCOME STATEMENT

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

	Note	Group 3 months ended			Group 9 months ended		
		30 Sep 2011 \$'000	30 Sep 2010 \$'000	+ / (-) %	30 Sep 2011 \$'000	30 Sep 2010 \$'000	+ / (-) %
Continuing operations							
Revenue							
Commission and broking income		4,864	268	1,715	14,910	954	1,463
Investment (loss) / income		(7,899)	9,725	NM	(5,539)	15,745	NM
Other income		54,143	441	NM	55,031	1,763	3,021
Total revenue		<u>51,108</u>	<u>10,434</u>	390	<u>64,402</u>	<u>18,462</u>	249
Cost and expenses							
Commission paid to agents		(2,479)	(59)	4,102	(8,296)	(348)	2,284
Employees' compensation and related costs		(4,991)	(2,731)	83	(9,435)	(5,840)	62
Office and equipment rental costs		(244)	(242)	1	(652)	(573)	14
Depreciation		(297)	(162)	83	(700)	(507)	38
Technology and information service costs		(342)	(270)	27	(938)	(764)	23
Gain / (loss) on foreign currency exchange		173	407	(57)	(57)	956	NM
Provision for doubtful debts		(21)	(28)	(25)	(65)	(563)	(88)
Other operating expenses		(711)	(564)	26	(2,276)	(1,592)	43
Total cost and expenses		<u>(8,912)</u>	<u>(3,649)</u>	144	<u>(22,419)</u>	<u>(9,231)</u>	143
Profit from continuing operating activities		42,196	6,785	522	41,983	9,231	355
Finance costs		(59)	(89)	(34)	(217)	(199)	9
Share of (loss) / profit of associated companies		(151)	6,256	NM	10,133	10,531	(4)
Negative goodwill arising from the acquisition of associated companies		-	127	NM	-	127	NM
Profit before taxation	B	41,986	13,079	221	51,899	19,690	164
Taxation	C	812	(983)	NM	1,620	(610)	NM
Profit for the period		42,798	12,096	254	53,519	19,080	180
Profit attributable to:							
Owners of the parent		42,798	12,096	254	53,519	18,737	186
Non-controlling interests		-	-	NM	-	343	NM
		<u>42,798</u>	<u>12,096</u>	254	<u>53,519</u>	<u>19,080</u>	180

NM : Not meaningful

Earnings per share

Basic and diluted:	E	13.49 cents	3.81 cents	16.87 cents	5.90 cents
- continuing operations:		13.49 cents	3.81 cents	16.87 cents	5.90 cents

Financial Statements

STATEMENT OF COMPREHENSIVE INCOME

(Amounts in Singapore dollars)

(These figures have not been audited)

	Group 3 months ended			Group 9 months ended		
	30 Sep 2011 \$'000	30 Sep 2010 \$'000	+(-) %	30 Sep 2011 \$'000	30 Sep 2010 \$'000	+(-) %
Profit net of tax	42,798	12,096	254	53,519	19,080	180
Other comprehensive income / (loss)						
Net gain / (loss) on fair value changes of available-for-sale financial assets	1,826	572	219	(2,135)	(1,304)	64
Share of other comprehensive loss of associated company	(612)	-	NM	(640)	(125)	412
Foreign currency translation	2,979	(1,360)	NM	2,416	2,393	1
Other comprehensive income / (loss) for the period, net of tax	4,193	(788)	NM	(359)	964	NM
Total comprehensive income for the period	46,991	11,308	316	53,160	20,044	165
Total comprehensive income attributable to:						
Owners of the parent	46,991	11,308	316	53,160	18,715	184
Non-controlling interests	-	-	NM	-	1,329	NM
	46,991	11,308	316	53,160	20,044	165

NM: Not meaningful

Financial Statements

BALANCE SHEETS

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

	Note	Group		Company	
		30 Sep 2011 \$'000	31 Dec 2010 \$'000	30 Sep 2011 \$'000	31 Dec 2010 \$'000
Non-current assets					
Property, plant and equipment		1,863	246	-	-
Investment properties		25,529	25,818	-	-
Subsidiary companies		-	-	48,548	46,091
Associated companies		42,444	106,588	5,688	5,688
Long-term investments		131,632	72,041	-	-
Amounts receivable from subsidiary companies		-	-	6,500	6,500
Deferred tax asset		3,507	712	-	-
Other receivables		1,042	1,201	-	-
Current assets					
Amounts receivable from subsidiary companies		-	-	113,368	183,338
Amounts receivable from associated company		886	656	-	-
Trade debtors		10,567	7,687	-	-
Other debtors		987	1,229	42	93
Financial assets		41,947	66,802	-	-
Cash and bank balances		207,248	144,955	98,462	31,397
		261,635	221,329	211,872	214,828
Current liabilities					
Trade creditors		83,532	87,463	-	-
Other creditors		8,811	6,631	635	659
Bank borrowings	D	7,871	9,237	3,098	-
Provision for taxation		1,003	1,134	348	428
		101,217	104,465	4,081	1,087
Net current assets		160,418	116,864	207,791	213,741

Financial Statements

BALANCE SHEETS (Continued)

	Note	Group		Company	
		30 Sep 2011	31 Dec 2010	30 Sep 2011	31 Dec 2010
		\$'000	\$'000	\$'000	\$'000
Non-current liabilities					
Bank borrowings	D	(9,966)	(10,454)	-	-
Deferred tax liability		(412)	(354)	(176)	(117)
Net assets		<u>356,057</u>	<u>312,662</u>	<u>268,351</u>	<u>271,903</u>
Equity					
Share capital		183,112	183,112	183,112	183,112
Capital reserve		(281)	609	137	137
Revenue reserve		176,891	132,887	85,102	88,654
Fair value adjustment reserve		28	2,163	-	-
Foreign currency translation reserve		(3,693)	(6,109)	-	-
Total equity		<u>356,057</u>	<u>312,662</u>	<u>268,351</u>	<u>271,903</u>

Financial Statements

STATEMENTS OF CHANGES IN EQUITY

(Amounts in Singapore dollars)

(These figures have not been audited)

Group	Attributable to Owners of the Parent					Total Equity \$'000
	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign Currency Translation Reserve \$'000	
2011						
Opening balance at 1 July 2011	183,112	133,629	581	(1,798)	(6,672)	308,852
Profit for the period	-	42,798	-	-	-	42,798
<u>Other comprehensive income / (loss)</u>						
Net gain on fair value changes of available-for-sale financial assets	-	-	-	1,826	-	1,826
Share of other comprehensive loss of associated company	-	-	(612)	-	-	(612)
Foreign currency translation	-	-	-	-	2,979	2,979
Other comprehensive income / (loss) for the period	-	-	(612)	1,826	2,979	4,193
Total comprehensive income / (loss) for the period	-	42,798	(612)	1,826	2,979	46,991
<u>Contributions by and distributions to owners</u>						
Disposal of equity share of associated companies	-	464	(250)	-	-	214
Total transactions with owners in their capacity as owners	-	464	(250)	-	-	214
Closing balance at 30 September 2011	183,112	176,891	(281)	28	(3,693)	356,057

Financial Statements

STATEMENTS OF CHANGES IN EQUITY (Continued)

Group 2010	Attributable to Owners of the Parent					Total Equity \$'000
	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign Currency Translation Reserve \$'000	
	Opening balance at 1 July 2010	183,112	112,086	281	557	
Profit for the period	-	12,096	-	-	-	12,096
<u>Other comprehensive income / (loss)</u>						
Net gain on fair value changes of available-for-sale financial assets	-	-	-	572	-	572
Foreign currency translation	-	-	-	-	(1,360)	(1,360)
Other comprehensive income / (loss) for the period	-	-	-	572	(1,360)	(788)
Total comprehensive income / (loss) for the period	-	12,096	-	572	(1,360)	11,308
<u>Contributions by and distributions to owners</u>						
Increase in equity share of associated companies	-	-	250	-	-	250
Total transactions with owners in their capacity as owners	-	-	250	-	-	250
Closing balance at 30 September 2010	183,112	124,182	531	1,129	(4,437)	304,517

Financial Statements

STATEMENTS OF CHANGES IN EQUITY (Continued)

Company 2011	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Total Equity \$'000
Opening balance at 1 July 2011	183,112	80,671	137	263,920
Profit for the period	-	4,431	-	4,431
Total comprehensive income for the period	-	4,431	-	4,431
Closing balance at 30 September 2011	183,112	85,102	137	268,351

Company 2010	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Total Equity \$'000
Opening balance at 1 July 2010	183,112	77,471	137	260,720
Profit for the period	-	165	-	165
Total comprehensive income for the period	-	165	-	165
Closing balance at 30 September 2010	183,112	77,636	137	260,885

Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOW

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

	Group	
	30 Sep 2011	30 Sep 2010
	\$'000	\$'000
Cash flow from operating activities:		
Profit before taxation	41,986	13,079
Adjustments for :-		
Depreciation of property, plant and equipment	297	162
Loss on disposal of property, plant and equipment	-	1
Gain on disposal of an associated company	(53,714)	-
Interest expense	59	89
Interest income	(312)	(402)
Dividend income	(275)	(914)
Gain on sale of long-term investments	-	(132)
Provision of allowance for doubtful debts	21	28
Fair value adjustment	8,414	(4,424)
Share of loss / (profit) of associated companies	151	(6,256)
Negative goodwill arising from the acquisition of associated companies	-	(127)
Operating (loss) / profit before reinvestment in working capital	<u>(3,373)</u>	<u>1,104</u>
Decrease / (increase) in debtors	14,612	(1,510)
Increase in short-term investments	(8,097)	(3,743)
(Decrease) / increase in creditors	(40,836)	32,824
Cash flow (used in) / from operations	<u>(37,694)</u>	<u>28,675</u>
Interest paid	(44)	(54)
Interest received	301	366
Income tax paid	(248)	-
Net cash (used in) / from operating activities	<u>(37,685)</u>	<u>28,987</u>

Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOW (Continued)

	Group	
	3 months ended	
	30 Sep 2011	30 Sep 2010
	\$'000	\$'000
Cash flow from investing activities:		
Purchase of property, plant and equipment	(975)	(39)
Purchase of long-term investments	(39,821)	(3,834)
Proceeds from sale of long-term investments	293	132
Investment in associated company	(862)	(995)
Proceeds from disposal of associated companies	98,990	-
Net dividend received from associated companies	-	204
Dividend income	254	872
Net cash from / (used in) investing activities	<u>57,879</u>	<u>(3,660)</u>
Cash flow from financing activities:		
Repayment of bank borrowings	(866)	(3,147)
Net cash used in financing activities	<u>(866)</u>	<u>(3,147)</u>
Net increase in cash and cash equivalents	19,328	22,180
Effect of exchange rate changes in opening cash and cash equivalents	102	85
Cash and cash equivalents at beginning of period	187,818	70,674
Cash and cash equivalents at end of period	<u>207,248</u>	<u>92,939</u>

Cash and bank balances of the Group include fixed deposits of \$12,784,000 (2010: \$25,135,000) and other cash and bank balances of \$48,520,000 (2010: \$27,920,000) of a subsidiary company which are segregated under SGX-DT Rules and represent funds deposited by customers and accruing to customers as a result of trades or contracts in SGX-DT.

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2011

(Amounts in Singapore dollars)

(These figures have not been audited)

A. SHARE CAPITAL

In the third quarter ended 30 September 2011, no shares were purchased or issued by the Company (2010: Nil). The total number of issued shares as at 30 September 2011 was 317,178,805 (2010: 317,178,805). The Company does not hold any treasury shares as at 30 September 2011 and 2010.

B. REVENUE AND EXPENSES

Profit before taxation includes the following:

	Group 3 months ended		Group 9 months ended	
	30 Sep 2011 \$'000	30 Sep 2010 \$'000	30 Sep 2011 \$'000	30 Sep 2010 \$'000
Commission and broking income –				
Commission	144	152	591	609
Forex broking income	4,720	116	14,319	345
Investment (loss) / income –				
Fair value adjustment for short-term investments	(6,222)	5,043	(12,934)	2,299
Fair value adjustment for long-term investments	(2,192)	(619)	(2,061)	26
(Loss) / gain on sale of short-term investments	(72)	3,853	6,529	9,807
Gain on sale of long-term investments	-	132	1,147	481
Gross dividend income :				
- Quoted investments	275	914	773	2,240
Interest income :				
- Fixed deposits	84	50	216	169
- Others	228	352	791	723
Other income –				
Service income	-	-	1	303
Rental income	413	435	1,202	1,326
Gain / (loss) on disposal of associated company	53,714	-	53,714	(570)
Finance cost –				
Interest expense -				
Bank loans and overdrafts	(53)	(81)	(189)	(156)
Others	(6)	(8)	(28)	(43)

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS (Continued)

C. TAX

	Group 3 months ended		Group 9 months ended	
	30 Sep 2011 \$'000	30 Sep 2010 \$'000	30 Sep 2011 \$'000	30 Sep 2010 \$'000
Current taxation				
Current year	(208)	(161)	(471)	(369)
Underprovision in respect of prior years	-	-	(10)	-
Deferred tax	1,020	(822)	2,101	(241)
	<u>812</u>	<u>(983)</u>	<u>1,620</u>	<u>(610)</u>

D. AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	Secured		Unsecured	
	30 Sep 2011 \$'000	31 Dec 2010 \$'000	30 Sep 2011 \$'000	31 Dec 2010 \$'000
Amount due within one year	650	650	7,221	8,587
Amount due after one year	9,966	10,454	-	-
	<u>9,966</u>	<u>10,454</u>	<u>7,221</u>	<u>8,587</u>

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

E. EARNINGS PER SHARE

Basic and diluted earnings per share ("EPS") are calculated by dividing the profit attributable to owners of the parent of \$42,798,000 (2010: \$12,096,000) by the weighted average number of ordinary shares in issue during the period of 317,178,805 (2010: 317,178,805).

There are no outstanding share options as at 30 September 2011 and 2010.

F. NET ASSET VALUE PER SHARE

	Group		Company	
	30 Sep 2011	31 Dec 2010	30 Sep 2011	31 Dec 2010
Net asset value per share based on existing issued share capital as at the end of the respective period	112.26 cts	98.58 cts	84.61 cts	85.73 cts
	<u>112.26 cts</u>	<u>98.58 cts</u>	<u>84.61 cts</u>	<u>85.73 cts</u>

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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.

DIVIDENDS

The Directors are pleased to declare an interim one-tier tax-exempt dividend of 2 cents (2010: Nil) per ordinary share in respect of the current financial year. The dividend will amount to approximately \$6,344,000.

Notice will be given at a later date on the payment date of dividend.

AUDIT

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

INTERESTED PERSON TRANSACTIONS

The Company does not have an Interested Person Transactions mandate.

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)

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 third quarter ended 30 September 2011 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary

8 November 2011
Singapore