



G. K. GOH HOLDINGS LIMITED
Financial Statements
And Dividend Announcement
For Third Quarter Ended 30 September 2010

(Co. Reg. No. 199000184D)

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REVIEW OF PERFORMANCE OF THE GROUP

Results for the 3 months ended September 2010

The Group's 3rd quarter net attributable profits amounted to S\$12.1 million, about 23% more than the year-ago figure.

Total comprehensive income attributable to shareholders, which includes gains and losses on long-term investments and foreign currency translation effects, amounted to S\$11.3 million for the quarter.

Earnings per share amounted to 3.8 cents for the quarter, while net asset value per share rose to 96.0 cents, from 91.4 cents at the end of 2009.

The 3rd quarter results were substantially boosted by strong returns on our regional equity portfolio, in particular from investments in Malaysia, Indonesia and Singapore. Overall investment income amounted to S\$9.7 million. We ended the period with short term investments of approximately S\$69.6 million.

Associate contributions also increased to S\$6.3 million in the 3rd quarter, from S\$1.4 million a year ago. Our Malaysian property associate Eastern & Oriental Bhd ("E&O") contributed S\$0.5 million, reflecting the steady pace of its property sales, but without the one-off boost from asset sales seen in the previous quarter. Boardroom Ltd contributed S\$4.0 million this quarter, of which S\$3.6 million was from a one-off unrealized investment gain when its Australian share registration associate became a subsidiary, this is in accordance with FRS103, a new accounting standard relating to the treatment of business combinations. In terms of its operating profit, Boardroom recorded a lower profit of S\$0.4 million (3Q09: S\$0.6 million) due to higher operating overheads and some one-off transaction fees. Our financial sector associates did well, with increased operating profits at Platinum Holdings Company Ltd and increases in the value of listed investments owned by private-equity fund management company Value Monetization Ltd. Together they contributed S\$1.9 million to our results.

Our futures and foreign exchange broking operations lost S\$1.0 million. This increased loss reflects preparatory spending ahead of the launch of a new trading platform. Since the latter was introduced in late September, turnover has improved, and if sustained, should lead to a turnaround in 2011. The increase in trade creditors to S\$57.1 million (June 2010: S\$25.8 million), reflects the increased level of margin deposits placed in our foreign exchange broking operations towards the end of September.

The increase in employee costs primarily reflects performance-based bonus provisions.

The Group's balance sheet is largely unchanged. The increase in short term investments over the quarter, by approximately S\$8.8 million to S\$69.6 million, is commensurate with the level of profits generated in the period. Net current assets declined marginally to S\$101.6 million as more capital was deployed in long-term investments.

REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)

Results for the 9 months ended September 2010

2010 year-to-date attributable profits of S\$18.7 million were much better than the 2009 loss of S\$2.9 million. The latter figure was affected by the final writedowns and losses resulting from the global financial crisis.

The key contributors to improved performance were investment income of S\$15.7 million (2009: \$13.6 million) and associate profits of S\$10.5 million (2009: loss S\$2.9 million), as well as the absence of currency translation losses and asset impairments. Earnings per share amounted to 5.9 cents for the period to date.

Total comprehensive income for the 9 months amounted to S\$20.0 million, compared to S\$13.3 million in the corresponding period in 2009.

VARIANCE BETWEEN PREVIOUS PROSPECT STATEMENT AND ACTUAL RESULTS

None

COMMENTARY ON PROSPECTS

Strong inflows towards Asian emerging markets have helped to boost our returns in the past quarter. Expectations for the current quarter are relatively positive, especially in Asia, but we remain cognizant of the continuing risks from global macroeconomic imbalances. Our investment returns are likely to be volatile from one quarter to the next, but our focus will remain on long-term returns.

We expect a turnaround at G.K. Goh Financial Services (S) Pte Ltd in 2011 after the rollout of its new trading platform. Associates are in aggregate expected to remain profitable.

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INCOME STATEMENT

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

	Note	Group 3 months ended			Group 9 months ended		
		30 Sep 2010 \$'000	30 Sep 2009 \$'000 (reclassified)	+ / (-) %	30 Sep 2010 \$'000	30 Sep 2009 \$'000 (reclassified)	+ / (-) %
Continuing operations							
Revenue							
Commission and broking income		268	349	(23)	954	1,285	(26)
Investment income		9,725	11,648	(17)	15,745	13,583	16
Other income		441	1,677	(74)	1,763	2,679	(34)
Total revenue		<u>10,434</u>	<u>13,674</u>	(24)	<u>18,462</u>	<u>17,547</u>	5
Cost and expenses							
Commission paid to agents		(59)	(64)	(8)	(348)	(181)	92
Employees' compensation and related costs		(2,731)	(1,059)	158	(5,840)	(3,137)	86
Office and equipment rental costs		(242)	(137)	77	(573)	(433)	32
Depreciation		(162)	(193)	(16)	(507)	(614)	(17)
Technology and information service costs		(270)	(163)	66	(764)	(528)	45
Gain / (loss) on foreign currency exchange		407	(2,323)	NM	956	(4,243)	NM
Impairment of investment property		-	-	NM	-	(2,594)	NM
Provision for doubtful debts		(28)	(17)	65	(563)	(50)	1,026
Other operating expenses		(564)	(459)	23	(1,592)	(1,452)	10
Total cost and expenses		<u>(3,649)</u>	<u>(4,415)</u>	(17)	<u>(9,231)</u>	<u>(13,232)</u>	(30)
Profit / (loss) from continuing operating activities		6,785	9,259	(27)	9,231	4,315	114
Finance costs		(89)	(42)	112	(199)	(144)	38
Share of profit / (loss) of associated companies		6,256	1,388	351	10,531	(2,851)	NM
Negative goodwill arising from the acquisition of associated companies		127	-	NM	127	-	NM
Impairment of associated companies		-	-	NM	-	(2,515)	NM
Profit / (loss) before taxation	B	13,079	10,605	23	19,690	(1,195)	NM
Taxation	C	(983)	(620)	59	(610)	(2,624)	(77)
Profit / (loss) for the period		12,096	9,985	21	19,080	(3,819)	NM
Profit / (loss) attributable to:							
Members of the Company		12,096	9,826	23	18,737	(2,877)	NM
Minority interest		-	159	NM	343	(942)	NM
		<u>12,096</u>	<u>9,985</u>	21	<u>19,080</u>	<u>(3,819)</u>	NM
NM : Not meaningful							
Earnings / (loss) per share							
Basic and diluted:	E	3.81 cents	3.09 cents		5.90 cents	(0.90) cents	
- continuing operations:		3.81 cents	3.09 cents		5.90 cents	(0.90) cents	

Note:

Dividend and interest income have been classified under Investment income. Comparative amounts have been reclassified accordingly.

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STATEMENT OF COMPREHENSIVE INCOME

(Amounts in Singapore dollars)

(These figures have not been audited)

	Group			Group		
	3 months ended		+ / (-) %	9 months ended		+ / (-) %
	30 Sep 2010	30 Sep 2009		30 Sep 2010	30 Sep 2009	
	\$'000	\$'000		\$'000	\$'000	
Profit / (loss) net of tax	12,096	9,985	21	19,080	(3,819)	NM
Other comprehensive income / (loss)						
Net gain / (loss) on long-term investments	572	1,599	(64)	(1,304)	16,130	NM
Share options in associated company	-	-	NM	(125)	-	NM
Share of other comprehensive income of associated companies	-	-	NM	-	(1)	NM
Foreign currency translation	(1,360)	1,455	NM	2,393	1,002	139
Other comprehensive income for the period	(788)	3,054	NM	964	17,131	(94)
Total comprehensive income for the period	11,308	13,039	(13)	20,044	13,312	51
Total comprehensive income / (loss) attributable to:						
Members of the Company	11,308	13,089	(14)	18,715	14,571	28
Minority interest	-	(50)	NM	1,329	(1,259)	NM
	11,308	13,039	(13)	20,044	13,312	51

NM : Not meaningful

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BALANCE SHEETS

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

	Note	Group		Company	
		30 Sep 2010 \$'000	31 Dec 2009 \$'000	30 Sep 2010 \$'000	31 Dec 2009 \$'000
Non-current assets					
Property, plant and equipment		258	388	-	-
Investment properties		23,374	23,652	-	-
Subsidiary companies		-	-	47,625	36,759
Associated companies		113,041	112,501	5,635	5,635
Long-term investments		75,214	64,828	-	-
Deferred tax asset		633	989	-	-
Other receivables		1,162	1,037	-	-
Current assets					
Amounts receivable from subsidiary companies		-	-	189,628	186,032
Amounts receivable from associated company		802	842	-	-
Trade debtors		7,845	3,619	-	-
Other debtors		1,978	926	827	6
Financial assets		69,609	43,895	-	-
Cash and bank balances		92,939	83,330	18,225	32,514
		173,173	132,612	208,680	218,552
Current liabilities					
Trade creditors		57,135	24,838	-	-
Other creditors		5,070	3,160	634	674
Bank borrowings	D	8,484	650	-	-
Provision for taxation		891	619	318	85
		71,580	29,267	952	759
Net current assets		101,593	103,345	207,728	217,793

Financial Statements

BALANCE SHEETS (Continued)

	Note	Group		Company	
		30 Sep 2010 \$'000	31 Dec 2009 \$'000	30 Sep 2010 \$'000	31 Dec 2009 \$'000
Non-current liabilities					
Bank borrowings	D	(10,617)	(11,104)	-	-
Deferred tax liability		(141)	(178)	(103)	(140)
Net assets		<u>304,517</u>	<u>295,458</u>	<u>260,885</u>	<u>260,047</u>
Equity					
Share capital		183,112	183,112	183,112	183,112
Capital reserve		531	362	137	137
Revenue reserve		124,182	110,825	77,636	76,798
Fair value adjustment reserve		1,129	2,433	-	-
Foreign currency translation reserve		(4,437)	(5,800)	-	-
		<u>304,517</u>	<u>290,932</u>	<u>260,885</u>	<u>260,047</u>
Minority interest		-	4,526	-	-
Total equity		<u>304,517</u>	<u>295,458</u>	<u>260,885</u>	<u>260,047</u>

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STATEMENTS OF CHANGES IN EQUITY

(Amounts in Singapore dollars)

(These figures have not been audited)

2010 Group	Attributable to Members of the Company								
	Equity Total	Equity attributable to Members of the Company	Share Capital	Revenue Reserve	Other Reserves	Capital Reserve	Fair Value Adjustment Reserve	Foreign Currency Translation Reserve	Minority Interests
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance at 1 July 2010	292,959	292,959	183,112	112,086	(2,239)	281	557	(3,077)	-
Total comprehensive income for the period	11,308	11,308	-	12,096	(788)	-	572	(1,360)	-
<u>Contributions by and distributions to owners</u>									
Increase in equity share of associated companies	250	250	-	-	250	250	-	-	-
Closing balance at 30 September 2010	304,517	304,517	183,112	124,182	(2,777)	531	1,129	(4,437)	-

2009 Group	Attributable to Members of the Company								
	Equity Total	Equity attributable to Members of the Company	Share Capital	Revenue Reserve	Other Reserves	Capital Reserve	Fair Value Adjustment Reserve	Foreign Currency Translation Reserve	Minority Interests
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance at 1 July 2009	280,829	274,715	183,112	92,636	(1,033)	271	6,162	(7,466)	6,114
Total comprehensive income for the period	13,039	13,089	-	9,826	3,263	-	1,599	1,664	(50)
Closing balance at 30 September 2009	293,868	287,804	183,112	102,462	2,230	271	7,761	(5,802)	6,064

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STATEMENTS OF CHANGES IN EQUITY (Continued)

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

2009 Company	Equity Total \$'000	Share Capital \$'000	Revenue Reserve \$'000	Other Reserves \$'000
Opening balance at 1 July 2009	241,961	183,112	58,712	137
Total comprehensive income for the period	21,913	-	21,913	-
Closing balance at 30 September 2009	<u>263,874</u>	<u>183,112</u>	<u>80,625</u>	<u>137</u>

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CONSOLIDATED STATEMENT OF CASH FLOW

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

	Group	
	30 Sep 2010	30 Sep 2009
	\$'000	\$'000
Cash flow from operating activities:		
Profit before taxation	13,079	10,605
Adjustments for :-		
Depreciation of property, plant and equipment	162	193
Loss on disposal of property, plant and equipment	1	-
Gain on disposal of an associated company	-	(994)
Interest expense	89	42
Interest income	(402)	(218)
Dividend income	(914)	(1,226)
(Gain) / loss on sale of long-term investments	(132)	588
Provision of allowance for doubtful debts	28	17
Fair value adjustment	(4,424)	(7,098)
Share of profit of associated companies	(6,256)	(1,388)
Negative goodwill arising from the acquisition of associated companies	(127)	-
Operating profit before reinvestment in working capital	<u>1,104</u>	<u>521</u>
Increase in debtors	(1,510)	(4,557)
Increase in short-term investments	(3,743)	(5,859)
Increase / (decrease) in creditors	32,824	(8,468)
Cash flow from / (used in) operations	<u>28,675</u>	<u>(18,363)</u>
Interest paid	(54)	(42)
Interest received	366	145
Income tax paid	-	(227)
Net cash from / (used in) operating activities	<u>28,987</u>	<u>(18,487)</u>
Cash flow from investing activities:		
Purchase of property, plant and equipment	(39)	-
Purchase of long-term investments	(3,834)	(5,960)
Proceeds from sale of long-term investments	132	2,735
Investment in associated company	(995)	-
Proceeds from disposal of associated companies	-	6,427
Net dividend received from associated companies	204	-
Dividend income	872	1,220
Net cash (used in) / from investing activities	<u>(3,660)</u>	<u>4,422</u>
Cash flow from financing activities:		
Repayment of bank borrowings	(3,147)	(162)
Net cash used in financing activities	<u>(3,147)</u>	<u>(162)</u>
Net increase / (decrease) in cash and cash equivalents	22,180	(14,227)
Effect of exchange rate changes in opening cash and cash equivalents	85	2,269
Cash and cash equivalents at beginning of period	70,674	108,196
Cash and cash equivalents at end of period	<u>92,939</u>	<u>96,238</u>

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NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2010

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

A. SHARE CAPITAL

In the third quarter ended 30 September 2010, no shares were purchased or issued by the Company (2009: Nil). The Company does not hold any treasury shares as at 30 September 2010.

B. REVENUE AND EXPENSES

Profit before taxation includes the following:

	Group 3 months ended		Group 9 months ended	
	30 Sep 2010 \$'000	30 Sep 2009 \$'000 (reclassified)	30 Sep 2010 \$'000	30 Sep 2009 \$'000 (reclassified)
Investment income / (loss) –				
Fair value adjustment for short-term investments	5,043	5,296	2,299	10,895
Fair value adjustment for long-term investments	(619)	1,352	26	4,477
Reversal of impairment loss for other receivables	-	450	-	107
Gain on sale of short-term investments	3,853	3,694	9,807	4,891
Gain / (loss) on sale of long-term investments	132	(588)	481	(9,101)
Gross dividend income :				
- Quoted investments	914	1,226	2,240	1,569
Interest income :				
- Fixed deposits	50	75	169	281
- Others	352	143	723	464
Finance cost –				
Interest expense -				
Bank loans and overdrafts	(81)	(34)	(156)	(112)
Others	(8)	(8)	(43)	(32)

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

C. TAX

	Group 3 months ended		Group 9 months ended	
	30 Sep 2010 \$'000	30 Sep 2009 \$'000	30 Sep 2010 \$'000	30 Sep 2009 \$'000
Current taxation				
Current year	(161)	(89)	(369)	(242)
Deferred tax	(822)	(531)	(241)	(2,382)
	<u>(983)</u>	<u>(620)</u>	<u>(610)</u>	<u>(2,624)</u>

D. AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	Secured		Unsecured	
	30 Sep 2010 \$'000	31 Dec 2009 \$'000	30 Sep 2010 \$'000	31 Dec 2009 \$'000
Amount due within one year	650	650	7,834	-
Amount due after one year	10,617	11,104	-	-
	<u>10,617</u>	<u>11,104</u>	<u>7,834</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 \$12,096,000 (2009: \$9,826,000) by the weighted average number of ordinary shares in issue during the period of 317,179,000 (2009: 318,179,000).
- (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 9 months ended	
	30 Sep 2010 '000	30 Sep 2009 '000	30 Sep 2010 '000	30 Sep 2009 '000
Weighted average number of ordinary shares outstanding used in the calculation of fully diluted EPS	317,179	318,179	317,401	318,512

There are no outstanding share options as at 30 September 2010 (2009: Nil).

F. NET ASSET VALUE PER SHARE

	Group		Company	
	30 Sep 2010	31 Dec 2009	30 Sep 2010	31 Dec 2009
Net asset value per share based on existing issued share capital as at the end of the respective period	96.01 cts	91.44 cts	82.25 cts	81.73 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.

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DIVIDENDS

No dividend was declared or recommended during the period ended 30 September 2010 (2009: 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 third quarter ended 30 September 2010 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary

9 November 2010
Singapore