



Unaudited Financial Statements for the First Quarter Ended 30 September 2001

Financial statements on consolidated results for the quarter ended 30 September 2001. Certain items reported for the quarter ended 30 September 2000 have been reclassified to conform to this report for the quarter ended 30 September 2001.

The financial statements have been prepared in compliance with Singapore Statements of Accounting Standard ("SAS"). New SAS adopted in the current quarter include:

- i) SAS 8 - Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies;
- ii) SAS 31 - Provisions, Contingent Liabilities and Contingent Assets;
- iii) SAS 32 - Financial Instruments: Disclosure and Presentation;
- iv) SAS 33 - Financial Instruments: Recognition and Measurement;
- v) SAS 34 - Intangible Assets; and
- vi) SAS 36 - Impairment of Assets.

In particular, SAS 33 requires the gain or loss on the effective cash flow hedge to be recognised directly in equity. Accordingly, an amount of \$1,205,925 was reclassified from trade and other debtors to hedging reserve as of 30 September 2001. SAS 33 specifically requires no retrospective adjustment to be made for the comparative figures as of 30 September 2000.

There are no other major adjustments to the financial statements arising from the adoption of the new accounting standards.

These figures have not been audited.

	Group			Company		
	S\$'000		%	S\$'000		%
	1 Jul 2001 to 30 Sep 2001	1 Jul 2000 to 30 Sep 2000	Change	1 Jul 2001 to 30 Sep 2001	1 Jul 2000 to 30 Sep 2000	Change
1.(a) Turnover						
Operating revenue						
- Management fees from subsidiaries	-	-	-	16,739	15,924	5.1
- Gross dividend income from subsidiaries	-	-	-	-	-	-
- Clearing and related income	23,783	27,308	(12.9)	-	-	-
- Access & terminal fees	7,410	7,366	0.6	-	-	-
- Account maintenance & processing fees	8,102	10,160	(20.3)	-	-	-
- Listing & membership fees	4,084	4,473	(8.7)	-	-	-
- Price information fees	2,782	2,442	13.9	-	-	-
- Sale of software & other computer services	1,084	872	24.3	-	-	-
- Other operating revenue	1,408	1,631	(13.7)	288	448	(35.7)
Total operating revenue	48,653	54,252	(10.3)	17,027	16,372	4.0
1.(b) Investment income #	5,832	(1,910)	NA	5,595	(1,910)	NA
1.(c) Other income including interest income	1,924	2,837	(32.2)	421	1,126	(62.6)
2.(a) Profit before income tax, minority interests, extraordinary items, interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss) and exceptional items and after charging:-	24,035	26,192	(8.2)	6,318	(774)	NA
- Staff costs	(15,783)	(16,303)	(3.2)	(9,888)	(10,298)	(4.0)
- Occupancy costs	(4,366)	(3,360)	29.9	(2,193)	(1,894)	15.8
- System maintenance & rental	(4,832)	(3,421)	41.2	(1,955)	(2,093)	(6.6)
- Other operating expenses	(7,393)	(5,903)	25.2	(2,689)	(2,077)	29.5
2.(b)(i) Interest on borrowings	-	-	-	-	-	-
2.(b)(ii) Depreciation and amortisation	(4,405)	(4,892)	(10.0)	(1,656)	(1,607)	3.0
2.(b)(iii) Foreign exchange gain/(loss)	(227)	78	NA	2	-	NA
2.(c) Exceptional items ##	-	(15,679)	(100.0)	-	(15,679)	(100.0)
2.(d) Profit/(Loss) before income tax, minority interests and extraordinary items but after interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss) and exceptional items	19,403	5,699	240.5	4,664	(18,060)	NA
2.(e) Share of losses of joint venture	(24)	-	NA	-	-	-
2.(f) Less income tax	(5,425)	(6,315)	(14.1)	(1,894)	-	NA
2.(g)(i) Profit/(Loss) after tax before deducting minority interests	13,954	(616)	NA	2,770	(18,060)	NA

2.(g)(ii)	Less minority interests	538	-	NA	-	-	-
2.(h)	Profit/(Loss) after tax attributable to shareholders of the company	14,492	(616)	NA	2,770	(18,060)	NA

	Group			Company		
	SS'000		%	SS'000		%
	1 Jul 2001 to 30 Sep 2001	1 Jul 2000 to 30 Sep 2000	Change	1 Jul 2001 to 30 Sep 2001	1 Jul 2000 to 30 Sep 2000	Change
2.(i)(i) Extraordinary items	-	-	-	-	-	-
2.(i)(ii) Less minority interests	-	-	-	-	-	-
2.(i)(iii) Extraordinary items attributable to shareholders of the company	-	-	-	-	-	-
2.(i)(iv) Transfer to/from Exchange Reserve	-	-	-	-	-	-
2.(i)(v) Transfer to Capital Reserve	-	-	-	-	-	-
2.(i)(vi) Transfer to Reserve Fund	-	-	-	-	-	-
2.(j) Profit/(Loss) after tax and extraordinary items attributable to shareholders of the company	14,492	(616)	NA	2,770	(18,060)	NA

Investment income comprises realised and unrealised gains or losses, and interest income from managed funds and fixed income securities.

See Paragraph 4d.

NA: Not applicable.

	Group Figures	
	1 Jul 2001 to 30 Sep 2001	1 Jul 2000 to 30 Sep 2000
3.(a) Earnings/(Loss) per share based on 2(h) above after deducting provision for preference dividends:-	Cents	Cents
(i) Based on existing issued share capital	1.45	(0.08)
(ii) On a fully diluted basis	1.45	(0.08)
3.(b) Earnings/(Loss) per share based on 2(j) above:-		
(i) Based on existing issued share capital	1.45	(0.08)
(ii) On a fully diluted basis	1.45	(0.08)
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	1,000,000	757,477
Adjustment for assumed conversion of share options ('000)	-	-
Weighted average number of ordinary shares for diluted earnings per share ('000) @	1,000,000	757,477
3.(c) Net tangible asset backing per ordinary share @@	81.18	80.39

@ The weighted average number of ordinary shares for the financial year ended 30 June 2001 has been used to compute the comparative earnings per share to provide a better comparison of earnings per share.

@@ Net tangible asset backing per ordinary share is computed based on the existing share capital of 1 billion ordinary shares as at 30 September 2001. For the comparative net tangible asset backing per ordinary share as at 30 September 2000, we have included as net tangible assets, proceeds of the 719,682,094 shares at 1 cent each issued to SEL Holdings Pte Ltd at par for cash and is based on the share capital of 1 billion ordinary shares for comparative purposes only.

4.(a) Amount of Adjustment for Under-provision of Tax in respect of Previous Years
Nil.

4.(b) Amount of Pre-Acquisition Profits
Nil.

4.(c) Amount of Gain/(Loss) on Sale of Investments

	\$	\$
	1 Jul 2001 to 30 Sep 2001	1 Jul 2000 to 30 Sep 2000
Realised loss arising from equity investments	-	(1,459,154)
Realised gain/(loss) arising from fixed income securities	1,110,626	(1,197,841)
Total	<u>1,110,626</u>	<u>(2,656,995)</u>

4.(d) Other Comments Relating to Paragraph 4

We had traditionally invested our cash reserves in bank deposits and Singapore government securities. In 2000, we decided to place a portion of these reserves with independent fund managers for investment in equities, unit trusts and fixed-income instruments. However, in connection with our decision to become a listed company, we decided to invest in fixed-income instruments such as bank deposits, securities of Singapore and G-7 governments, statutory boards and government agencies, international investment-grade fixed-income securities and similar high-quality instruments. The loss on the equity portfolios managed by independent fund managers amounted to \$15,679,407 for the quarter ended 30 September 2000, comprising realised loss of \$1,459,154 and unrealised loss of \$14,220,253. The equity portfolios were subsequently liquidated in October 2000.

5.(a) Review of the performance of the company and its subsidiaries

Please see Words file.

5.(b) Unusual items after the financial period

Please see Words file.

6. Current year prospects and initiatives

Please see Words file.

7. Dividend

(a) *quarter ended 30 September 2001*

Nil.

(b) *No dividend was declared for the previous corresponding quarter.*

(c) *Date payable*

NA.

(d) *Books Closing date*

NA.

(e) *Any other comments relating to Paragraph 7*

Nil.

8. Details of Changes in the Company's Issued Share Capital

Nil.

9. Comparative Figures of the Group's Borrowings and Debt Securities

	As at 30/09/2001		As at 30/9/2000	
	Secured	Unsecured	Secured	Unsecured
(a) Amount repayable in one year or less, or on demand	Nil	Nil	Nil	Nil
(b) Amount repayable after one year	Nil	Nil	Nil	Nil

(c) Any other comments relating to Paragraph 9
Nil.

10.(a) **Balance Sheets**

	Group		Company	
	As at 30 Sep 01	As at 30 Sep 00	As at 30 Sep 01	As at 30 Sep 00
	SS'000	SS'000	SS'000	SS'000
Current assets				
Cash and cash equivalents	237,883	286,441	58,073	102,950
Trade and other debtors	226,622	301,794	40,595	26,711
Derivatives margin funds	2,103,650	1,862,913	-	-
Securities clearing funds	34,374	33,509	-	-
Investments - available for sale	331,605	346,230	307,370	341,500
	2,934,134	2,830,887	406,038	471,161
Non-current assets				
Property, plant and equipment	280,484	156,491	41,516	34,124
Club memberships, at cost	728	728	728	728
Subsidiaries	-	-	391,340	323,340
	281,212	157,219	433,584	358,192
Net assets of securities and derivatives fidelity funds	51,400	50,340	-	-
Total assets	3,266,746	3,038,446	839,622	829,353
Current liabilities				
Trade and other creditors	229,270	279,144	8,384	81,786
Derivatives margin funds	2,103,650	1,862,913	-	-
Securities clearing members' contributions to clearing funds	9,374	8,509	-	-
Taxation	23,397	36,604	3,122	1,758
Dividends payable	32,465	-	32,465	-
	2,398,156	2,187,170	43,971	83,544
Non-current liabilities				
Deferred taxation	2,056	4,193	-	-
Total liabilities	2,400,212	2,191,363	43,971	83,544
Net assets	866,534	847,083	795,651	745,809
Equity				
Share capital	10,000	62	10,000	62
Share premium	305,537	308,278	305,537	308,278
Retained profits and general reserves	472,403	463,386	480,114	437,469
Clearing fund reserve	25,000	25,000	-	-
Hedging reserve	(1,206)	-	-	-
Translation reserve	18	17	-	-
	811,752	796,743	795,651	745,809
Minority interests	3,382	-	-	-
Accumulated funds of securities and derivatives fidelity funds	51,400	50,340	-	-
	866,534	847,083	795,651	745,809

10.(b) Consolidated Cash Flow Statement

	Quarter Ended	
	30 Sep 01	30 Sep 00
	SS'000	SS'000
Cash flows from operating activities		
Profit before tax and share of results of joint venture	19,403	5,699
Adjustments for:		
Depreciation	4,405	4,892
Net (gain)/loss on revaluation of investments	(5,571)	17,940
Interest income	(1,971)	(3,114)
Operating cash flow before working capital change	16,266	25,417
Change in operating assets and liabilities		
Trade and other receivables	110,059	69,300
Trade and other payables	(117,204)	(73,613)
Cash generated from operations	9,121	21,104
Income tax paid	(4,635)	(6,611)
Net cash from operating activities	4,486	14,493
Cash flows from investing activities		
Payments for properties under development	-	(5,653)
Payments for property, plant and equipment	(6,338)	(2,781)
Purchase of investments	-	(330,000)
Interest received	1,169	6,006
Redemption of investments	3,937	3,000
Net cash used in investing activities	(1,232)	(329,428)
Cash flows from financing activities		
Contributions from minority interests	3,920	-
Net cash from financing activities	3,920	-
Net increase/(decrease) in cash and cash equivalents held	7,174	(314,935)
Cash and cash equivalents at the beginning of the quarter	230,719	601,375
Effects of exchange rate changes on cash and cash equivalents	(10)	1
Cash and cash equivalents at the end of the quarter	237,883	286,441

10.(c) Segment Information for the quarter ended 30 September 2001

	Securities Market	Derivatives Market	Other Operations	The Group
	S\$'000	S\$'000	S\$'000	S\$'000
SEGMENT REVENUE				
External revenue	31,713	14,246	2,694	48,653
Inter-segment revenue	5	373	16,756	17,134
	31,718	14,619	19,450	65,787
Less: Consolidation elimination	(5)	(373)	(16,756)	(17,134)
	31,713	14,246	2,694	48,653
RESULTS				
Segment results	17,259	3,749	22	21,030
Unallocated costs				(9,383)
Operating profit before tax				11,647
Interest income and other non-operating income				7,756
Share of losses of joint venture	(24)	-	-	(24)
Income taxes				(5,425)
Minority interests				538
Net profit				14,492
OTHER INFORMATION				
Segment assets	570,106	2,321,162	15,541	2,906,809
Unallocated assets				359,937
Consolidated total assets				3,266,746
Segment liabilities	211,346	2,119,887	2,674	2,333,907
Unallocated liabilities				66,305
Consolidated total liabilities				2,400,212
Capital expenditure				
- Allocated	1,667	626	1,254	3,547
- Unallocated				2,791
				6,338
Depreciation				
- Allocated	1,529	1,126	94	2,749
- Unallocated				1,656
				4,405

10.(c) Segment Information for the quarter ended 30 September 2000

	Securities Market	Derivatives Market	Other Operations	The Group
	S\$'000	S\$'000	S\$'000	S\$'000
SEGMENT REVENUE				
External revenue	37,503	13,142	3,607	54,252
Inter-segment revenue	193	360	15,951	16,504
	37,696	13,502	19,558	70,756
Less: Consolidation elimination	(193)	(360)	(15,951)	(16,504)
	37,503	13,142	3,607	54,252
RESULTS				
Segment results	22,549	3,183	1,699	27,431
Unallocated costs				(6,980)
Operating profit before tax				20,451
Interest income and other non- operating income/(loss)				(14,752)
Income taxes				(6,315)
Net loss				(616)
OTHER INFORMATION				
Segment assets	648,261	2,035,779	7,920	2,691,960
Unallocated assets				346,486
Consolidated total assets				3,038,446
Segment liabilities	265,903	1,875,407	2,314	2,143,624
Unallocated liabilities				47,739
Consolidated total liabilities				2,191,363
Capital expenditure				
- Properties under development	4,903	750	-	5,653
- Allocated	2,075	65	71	2,211
- Unallocated				570
				8,434
Depreciation				
- Allocated	1,673	1,592	20	3,285
- Unallocated				1,607
				4,892

The Group operates mainly in Singapore, with one marketing office in the United States of America.

BY ORDER OF THE BOARD

Joyce Fong
Company Secretary
9 November 2001