



HAW PAR CORPORATION LIMITED

(Company Registration Number: 196900437M)
(Incorporated in the Republic of Singapore)

Unaudited First Quarter Financial Statements for the Period Ended 31 March 2008

1(a) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	Period Ended 31 March		
	2008	2007	+ / (-)
	S\$'000	S\$'000	%
Turnover	25,878	26,498	(2.3)
Cost of sales	(10,977)	(10,648)	3.1
Gross profit	14,901	15,850	(6.0)
Other income	3,124	934	234.5
Sales and marketing expenses	(4,894)	(5,169)	(5.3)
Warehouse and delivery expenses	(136)	(151)	(9.9)
General and administrative expenses	(3,124)	(2,773)	12.7
Profit from operations	9,871	8,691	13.6
Share of profit of an associated company	289	119	142.9
Profit before taxation	10,160	8,810	15.3
Taxation	(1,261)	(969)	30.1
Profit for the period	8,899	7,841	13.5
Attributable to:			
Equity holders of the Company	8,762	7,742	13.2
Minority interests	137	99	38.4
	8,899	7,841	13.5

N/M - not meaningful

Note:

As the 20.84% owned associate, Hua Han Bio-Pharmaceutical Holdings Limited ("HHBP") is not required to report quarterly and is restricted by Hong Kong listing rules from releasing its results only to the Group, the Group has not accounted for the results of HHBP for the quarters ended 31 March 2007 and 2008.



1(a) Notes to the Income Statement

	Group		
	Period Ended 31 March		
	2008	2007	+ / (-)
	S\$'000	S\$'000	%
(i) Other income			
Interest income	170	676	(74.9)
Gain on disposal of investment property	2,445	-	-
Miscellaneous income	509	258	97.3
	3,124	934	234.5
(ii) The following were charged/(credited) to the income statement :			
Depreciation and amortisation	856	715	19.7
Provision for stock obsolescence	5	16	(68.8)
Foreign exchange loss	455	72	531.9
Prior years' under provision of current taxation	7	-	-
Impact of change in tax rate to deferred taxation	-	(506)	100.0
Loss on disposal of:			
- plant and equipment	-	20	(100.0)
(iii) Segmental results			
<u>Turnover</u>			
Healthcare	14,054	15,550	(9.6)
Leisure	8,436	8,372	0.8
Property	3,388	2,576	31.5
	25,878	26,498	(2.3)
<u>Profit from operations</u>			
Healthcare	2,252	3,046	(26.1)
Leisure	3,800	4,304	(11.7)
Property	5,128	1,836	179.3
Investments	89	592	(85.0)
Unallocated expenses	(1,398)	(1,087)	28.6
	9,871	8,691	13.6



1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31/03/08	31/12/07	31/03/08	31/12/07
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	27,657	26,469	-	-
Investment properties	214,231	214,498	-	-
Subsidiaries	-	-	389,534	389,613
Associated companies	47,524	49,995	2,895	2,895
Available-for-sale financial assets	1,226,674	1,285,747	937	937
Intangible assets	11,116	11,216	-	-
	1,527,202	1,587,925	393,366	393,445
Current assets				
Stocks	5,776	5,596	-	-
Receivables	14,637	20,403	132,067	147,209
Tax recoverable	599	600	-	-
Available-for-sale financial assets	345,092	361,433	-	-
Deposits with banks and financial institutions	52,031	33,368	37,985	20,893
Cash and bank balances	15,379	18,317	935	1,102
	433,514	439,717	170,987	169,204
Property held for sale	-	10,000	-	-
	433,514	449,717	170,987	169,204
Total assets	1,960,716	2,037,642	564,353	562,649
LIABILITIES				
Current liabilities				
Trade and other payables	(24,201)	(28,645)	(225,659)	(224,550)
Taxation	(7,708)	(7,154)	(259)	(272)
	(31,909)	(35,799)	(225,918)	(224,822)
Non-current liabilities				
Deferred income taxation	(64,662)	(67,655)	-	-
Total liabilities	(96,571)	(103,454)	(225,918)	(224,822)
NET ASSETS	1,864,145	1,934,188	338,435	337,827
EQUITY				
Share capital	239,238	239,238	239,238	239,238
Reserves	1,617,711	1,688,051	99,197	98,589
	1,856,949	1,927,289	338,435	337,827
Minority interests	7,196	6,899	-	-
Total equity	1,864,145	1,934,188	338,435	337,827



1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/03/08		As at 31/12/07	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

Amount repayable after one year

As at 31/03/08		As at 31/12/07	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

Details of any collateral

Not applicable

1(c) A cashflow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	Period Ended 31 March	
	2008 S\$'000	2007 S\$'000
Cash flows from operating activities:		
Profit for the year	8,899	7,841
Adjustments for:		
Taxation	1,261	969
Share of results of associated companies	(289)	(119)
Gain on disposal of an investment property	(2,445)	-
Investment and interest income	(170)	(676)
Depreciation of property, plant and equipment	756	715
Expensing of share options	149	97
Loss on sale of available-for-sale assets	-	20
Property, plant and equipment written off	25	14
Provision for stock obsolescence	5	16
Amortisation of intangible assets	100	-
Exchange adjustments	72	(87)
Operating profit before working capital changes	8,363	8,790
Increase in stocks	(185)	(77)
Decrease / (increase) in receivables	5,774	(541)
Decrease in creditors	(4,499)	(4,733)
Cash generated from operations	9,453	3,439
Investment and interest income received	162	676
Net taxation paid	(865)	(403)
Net cash provided by operating activities	8,750	3,712
Cash flows from investing activities:		
Proceeds from liquidation of long term investment	-	3,055
Purchase of long term available-for-sale financial assets	(3,741)	-
Purchase of property, plant and equipment	(1,774)	(776)
Proceeds from disposal of an investment property	12,500	-
Redemption of preference shares in long term investment	-	31
Improvements to investment properties	(10)	(26)
Net cash generated from investing activities	6,975	2,284
Cash flows from financing activities:		
Proceeds from issue of share capital	-	524
Net cash used in financing activities	-	524
Net increase in cash and cash equivalents	15,725	6,520
Cash and cash equivalents at beginning of the period	51,685	97,607
Cash and cash equivalents at end of the period	67,410	104,127
Cash and cash equivalents comprised the following:		
Cash and bank balances	15,379	14,639
Deposits with banks and financial institutions	52,031	89,488
	67,410	104,127



1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

<u>Group</u>	Period Ended 31 March	
	2008 S\$'000	2007 S\$'000
Recognised in foreign currency translation reserve		
Exchange differences on translation of the financial statements of foreign entities (net)	(2,891)	190
Recognised in other reserves		
Fair value gains (net of tax) on financial assets taken to equity	(76,200)	188,601
Expensing of share options	149	97
Net income recognised directly in equity	(78,942)	188,888
Profit for the period	8,899	7,841
Total recognised income and expense for the period	(70,043)	196,729
Attributable to:		
Equity holders of the Company	(70,340)	196,630
Minority interests	297	99
	(70,043)	196,729

<u>Company</u>	Period Ended 31 March	
	2008 S\$'000	2007 S\$'000
Recognised in other reserve		
Expensing of share options	149	97
Total recognised income and expense for the period	149	97
Profit for the period	459	908
Total recognised income and expense for the period	608	1,005



1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Since 31 December 2007, there were no ordinary shares issued pursuant to the exercise of share options. 400,000 share options were granted at \$6.47 per ordinary share on 3 March 2008.

As at 31 March 2008, unissued shares under the share option schemes of the Company were as follows:

	<u>31/03/08</u>	<u>31/12/07</u>
The Haw Par Corporation Group 2002 Share Option	1,061,000	677,000
	<u>1,061,000</u>	<u>677,000</u>

2. **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures as shown in the announcement have not been audited nor reviewed by the Company's auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

These financial statements have been prepared based on accounting policies and methods of computation consistent with those adopted in the most recently audited annual financial statements, except for accounting of associated companies as set out on Page 1.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

None.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	<u>Group</u>	
	Period Ended 31 March	
	2008	2007
Earnings per ordinary share:		
(a) Based on the weighted average number of ordinary shares on issue	4.4 cts	3.7 cts
(b) On a fully diluted basis	4.4 cts	3.7 cts

7. Net asset value (for the issuer and group) per ordinary share based on the issued share capital of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	<u>Group</u>		<u>Company</u>	
	31/03/08	31/12/07	31/03/08	31/12/07
Net asset value per ordinary share (S\$)	9.41	9.76	1.71	1.71

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Turnover for FY2008 declined marginally compared to prior year mainly due to lower sales from the healthcare division. Profit before tax increased by 15.3% from \$8.8m in 1Q2007 to \$10.2m in 1Q2008 mainly due to a gain of \$2.4m on the disposal of Setron Building.

Healthcare's results was 26.1% lower than those in prior year due primarily to lower sales to the US and parts of Asia, accentuated by the weakening US dollar. Leisure reported 11.7% lower profits mainly due to lower visitorship and higher operating costs at Underwater World Singapore, partially offset by higher operating profits from Underwater World Pattaya from an increase in gate fees. Excluding the \$2.4m gain on disposal of Setron Building, the Property division saw a 46% increase in contribution mainly due to higher rental rates.

Net asset per share dropped from \$9.76 to \$9.41 mainly due to the decrease in market valuation of quoted equity securities, in line with the global financial markets.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement was made previously in respect of 1Q 2008 results.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Uncertainties in the global economy continued to affect markets. The Healthcare division is likely to face challenges due to the weakening US dollar and slowdown in sales in the US and Europe. However, the Middle Eastern and Asian economies should continue to provide positive momentum. Underwater World Singapore will seek to capitalise on the increased tourist arrivals although the hotel room crunch continues to affect leisure tour groups. Meanwhile, the Property division should continue to benefit from strong rental and occupancy.



11. Dividend

(a) Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year ? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend is declared by the Company for the quarter ended 31 March 2008

CONFIRMATION BY THE BOARD

The Board of Directors hereby confirm that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results of the Group for the 3 months ended 31 March 2008 to be false or misleading.

BY ORDER OF THE BOARD

Tan Thiam Hee
Company Secretary
8 May 2008