

HAW PAR CORPORATION LIMITED

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

Unaudited Third Quarter Financial Statements for the Period Ended 30 September 2009
1(a) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	3rd Quarter ended 30 September			9 months Ended 30 September		
	2009	2008	+ / (-)	2009	2008	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	33,055	31,154	6.1	92,085	87,102	5.7
Cost of sales	(13,342)	(13,006)	2.6	(37,875)	(36,351)	4.2
Gross profit	19,713	18,148	8.6	54,210	50,751	6.8
Other income	13,722	13,351	2.8	46,480	54,361	(14.5)
Sales and marketing expenses	(6,304)	(5,439)	15.9	(16,499)	(16,345)	0.9
Warehouse and delivery expenses	(116)	(148)	(21.6)	(339)	(389)	(12.9)
General and administrative expenses	(3,341)	(3,206)	4.2	(8,451)	(10,020)	(15.7)
Profit from operations	23,674	22,706	4.3	75,401	78,358	(3.8)
Share of results of associated companies	202	257	(21.4)	3,308	3,421	(3.3)
Profit before taxation	23,876	22,963	4.0	78,709	81,779	(3.8)
Taxation	(1,834)	(1,879)	(2.4)	(4,652)	(4,681)	(0.6)
Profit for the period	22,042	21,084	4.5	74,057	77,098	(3.9)
Attributable to:						
Equity holders of the Company	22,076	21,068	4.8	73,970	76,898	(3.8)
Minority interests	(34)	16	N/M	87	200	(56.5)
	22,042	21,084	4.5	74,057	77,098	(3.9)

A consolidated statement of comprehensive income for the 3rd quarter and 9 months ended 30 September 2009:

	Group			Group		
	3rd Quarter ended 30 September			9 months Ended 30 September		
	2009	2008	+ / (-)	2009	2008	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period	22,042	21,084	4.5	74,057	77,098	(3.9)
Other comprehensive income/(expense), after tax						
Fair value gains/(losses) on available-for-sale financial assets	137,982	(214,750)	N/M	346,039	(321,190)	N/M
Exchange differences on translation of the financial statements of foreign entities (net)	(2,599)	6,640	N/M	(1,595)	1,023	N/M
Equity accounting of associated company's translation reserve	-	(3,173)	100.0	(1,614)	612	N/M
Other comprehensive income/(expense) for the period, net of tax	135,383	(211,283)	N/M	342,830	(319,555)	N/M
Total comprehensive income/(expense) for the period	157,425	(190,199)	N/M	416,887	(242,457)	N/M
Total comprehensive income/(expense) attributable to:						
Equity holders of the Company	157,626	(189,765)	N/M	416,799	(242,496)	N/M
Minority interests	(201)	(434)	(53.7)	88	39	125.6
	157,425	(190,199)	N/M	416,887	(242,457)	N/M

N/M - not meaningful

Note:

For the nine months ended 30 September 2009, the Group has accounted for the results of 20.84% owned associate, Hua Han Bio-Pharmaceutical Holdings Limited ("HHBP") up till 30 June 2009.

For the quarter ended 30 September 2009, the Group has not accounted for the results of HHBP as HHBP is not required to report quarterly and is bound by Hong Kong listing rules from releasing its results only to the Group.

1(a) Notes to the Income Statement

	Group			Group		
	3rd Quarter ended 30 September 2009	2008	+ / (-)	9 months Ended 30 September 2009	2008	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(i) Other income						
Investment income	13,031	12,811	1.7	44,300	49,804	(11.1)
Interest income	140	141	(0.7)	401	466	(13.9)
Gain on disposal of an investment property	-	-	-	-	2,445	(100.0)
Miscellaneous income	551	399	38.1	1,779	1,646	8.1
	13,722	13,351	2.8	46,480	54,361	(14.5)
(ii) The following were charged/(credited) to the income statement :						
Depreciation and amortisation	898	781	15.0	2,352	2,418	(2.7)
Inventories written down, net	28	17	64.7	144	14	928.6
Foreign exchange (gain)/loss, net	(104)	(26)	300.0	(64)	673	N/M
Prior years' (over)/underprovision of current taxation	(22)	(2)	1,000.0	(88)	3	N/M
Prior years' overprovision of deferred taxation						
- Change in tax rate	-	-	-	(752)	-	-
Allowance for impairment in value of available-for-sale financial assets	-	-	-	-	301	(100.0)
(iii) Segmental results						
<u>Revenue</u>						
Healthcare	20,576	18,325	12.3	54,533	49,924	9.2
Leisure	8,488	8,340	1.8	24,303	25,524	(4.8)
Property	3,991	4,489	(11.1)	13,249	11,654	13.7
	33,055	31,154	6.1	92,085	87,102	5.7
<u>Profit from operations</u>						
Healthcare	4,768	3,873	23.1	12,090	9,476	27.6
Leisure	3,517	3,964	(11.3)	10,816	11,861	(8.8)
Property	3,276	3,152	3.9	10,871	11,380	(4.5)
Investments	13,156	12,871	2.2	44,627	49,723	(10.2)
Unallocated expenses	(1,043)	(1,154)	(9.6)	(3,003)	(4,082)	(26.4)
	23,674	22,706	4.3	75,401	78,358	(3.8)

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.

	<u>Group</u>		<u>Company</u>	
	<u>30/09/09</u>	<u>31/12/08</u>	<u>30/09/09</u>	<u>31/12/08</u>
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	43,622	35,341	-	-
Investment properties	197,658	197,826	-	-
Investment in subsidiaries	-	-	389,573	389,573
Investment in associated companies	68,430	59,359	2,895	2,895
Available-for-sale financial assets	1,039,331	758,226	828	828
Intangible assets	11,116	11,116	-	-
	<u>1,360,157</u>	<u>1,061,868</u>	<u>393,296</u>	<u>393,296</u>
Current assets				
Available-for-sale financial assets	327,474	251,655	-	-
Inventories	6,911	6,558	-	-
Trade and other receivables	19,792	21,685	115,609	126,147
Tax recoverable	72	100	-	-
Deposits with banks and financial institutions	62,595	43,300	46,870	30,228
Cash and bank balances	16,237	23,785	2,132	1,101
	<u>433,081</u>	<u>347,083</u>	<u>164,611</u>	<u>157,476</u>
Total assets	<u>1,793,238</u>	<u>1,408,951</u>	<u>557,907</u>	<u>550,772</u>
LIABILITIES				
Current liabilities				
Trade and other payables	(31,608)	(33,131)	(209,691)	(165,500)
Taxation	(7,109)	(7,604)	(65)	(115)
	<u>(38,717)</u>	<u>(40,735)</u>	<u>(209,756)</u>	<u>(165,615)</u>
Non-current liabilities				
Deferred income taxation	(50,374)	(41,134)	-	-
	<u>(50,374)</u>	<u>(41,134)</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>(89,091)</u>	<u>(81,869)</u>	<u>(209,756)</u>	<u>(165,615)</u>
NET ASSETS	<u>1,704,147</u>	<u>1,327,082</u>	<u>348,151</u>	<u>385,157</u>
EQUITY				
Equity attributable to equity holders of the Company				
Share capital	239,541	239,541	239,541	239,541
Reserves	1,457,501	1,080,524	108,610	145,616
	<u>1,697,042</u>	<u>1,320,065</u>	<u>348,151</u>	<u>385,157</u>
Minority interests	7,105	7,017	-	-
Total equity	<u>1,704,147</u>	<u>1,327,082</u>	<u>348,151</u>	<u>385,157</u>

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

Amount repayable in one year or less, or on demand

As at 30/09/09		As at 31/12/08	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

Amount repayable after one year

As at 30/09/09		As at 31/12/08	
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		Group	
	3rd Quarter ended 30 September 2009 S\$'000	2008 S\$'000	9 months Ended 30 September 2009 S\$'000	2008 S\$'000
Cash flows from operating activities:				
Profit for the period	22,042	21,084	74,057	77,098
Adjustments for:				
Taxation	1,834	1,879	4,652	4,681
Share of results of an associated company	(202)	(257)	(3,308)	(3,421)
Gain on disposal of an investment property	-	-	-	(2,445)
Investment and interest income	(13,171)	(12,952)	(44,701)	(50,270)
Depreciation of property, plant and equipment	898	781	2,352	2,318
Expensing of share options	29	15	174	317
Property, plant and equipment written off	14	15	36	49
Inventories written down, net	28	17	144	14
Amortisation of intangible assets	-	-	-	100
Allowance for impairment in value of available-for-sale financial assets	-	-	-	301
Translation (gains)/losses	(1,084)	858	(1,042)	43
Operating profit before working capital changes	10,388	11,440	32,364	28,785
Increase in inventories	(191)	(980)	(497)	(1,427)
(Increase)/decrease in trade and other receivables	(2,904)	(2,645)	1,853	71
Increase/(decrease) in trade and other payables	4,212	3,460	(1,523)	1,749
Cash generated from operations	11,505	11,275	32,197	29,178
Investment and interest income received	12,937	12,964	43,979	50,278
Net taxation paid	(2,250)	(1,819)	(5,681)	(4,818)
Net cash provided by operating activities	22,192	22,420	70,495	74,638
Cash flows from investing activities:				
Purchase of long term available-for-sale financial assets	-	(19,534)	-	(23,275)
Purchase of property, plant and equipment	(3,851)	(4,334)	(10,668)	(8,516)
Dividend received from associated companies	800	600	800	600
Proceeds from sale of investment property	-	-	-	12,500
Purchase of minority interest in subsidiary	-	-	(505)	-
Investment in associated company	-	-	(8,637)	-
Improvements to investment properties	(167)	(46)	(247)	(67)
Proceeds from capital reduction of available-for-sale financial assets	-	-	-	898
Net cash used in investing activities	(3,218)	(23,314)	(19,257)	(17,860)
Cash flows from financing activities:				
Proceeds from issue of share capital	-	148	-	303
Payment of dividends to shareholders of the Company	(11,848)	(11,847)	(39,491)	(49,358)
Bank deposits pledged	-	-	(1,369)	-
Net cash used in financing activities	(11,848)	(11,699)	(40,860)	(49,055)
Net increase/(decrease) in cash and cash equivalents	7,126	(12,593)	10,378	7,723
Cash and cash equivalents at beginning of the period	70,213	72,001	66,961	51,685
Cash and cash equivalents at end of the period	77,339	59,408	77,339	59,408
Cash and cash equivalents comprised the following:				
Cash and bank balances	16,237	23,881	16,237	23,881
Deposits with banks and financial institutions	62,595	35,527	62,595	35,527
Less: Bank deposits pledged for banker's guarantee	(1,493)	-	(1,493)	-
	77,339	59,408	77,339	59,408

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.

	Attributable to equity shareholders of the Company							Total Equity S\$'000
	Share Capital S\$'000	Fair Value Reserve S\$'000	Other Reserve S\$'000	Currency Translation Reserve S\$'000	Revenue Reserve S\$'000	Total S\$'000	Minority Interests S\$'000	
The Group								
2009								
Balance at 1 January 2009	239,541	538,378	20,549	243	521,354	1,320,065	7,017	1,327,082
Expensing of share options	-	-	174	-	-	174	-	174
Purchase of minority interest in subsidiary	-	-	-	-	(505)	(505)	-	(505)
Dividends paid	-	-	-	-	(39,491)	(39,491)	-	(39,491)
Total comprehensive income for the period	-	346,039	-	(3,210)	73,970	416,799	88	416,887
Balance at 30 September 2009	239,541	884,417	20,723	(2,967)	555,328	1,697,042	7,105	1,704,147
2008								
Balance at 1 January 2008	239,238	1,178,240	19,776	(2,665)	492,700	1,927,289	6,899	1,934,188
Issue of share capital	303	-	-	-	-	303	-	303
Expensing of share options	-	-	317	-	-	317	-	317
Dividends paid	-	-	-	-	(49,358)	(49,358)	-	(49,358)
Total comprehensive (expense)/income for the period	-	(321,190)	-	1,796	76,898	(242,496)	39	(242,457)
Balance at 30 September 2008	239,541	857,050	20,093	(869)	520,240	1,636,055	6,938	1,642,993

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.

	Share Capital	Fair Value Reserve	Other Reserve	Revenue Reserve	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>The Company</u>					
2009					
Balance at 1 January 2009	239,541	(95)	1,798	143,913	385,157
Expensing of share options	-	-	174	-	174
Dividends paid	-	-	-	(39,491)	(39,491)
Total comprehensive expense for the period	-	-	-	2,311	2,311
Balance at 30 September 2009	239,541	(95)	1,972	106,733	348,151
2008					
Balance at 1 January 2008	239,238	14	1,282	97,293	337,827
Issue of share capital	303	-	-	-	303
Expensing of share options	-	-	317	-	317
Dividends paid	-	-	-	(49,358)	(49,358)
Total comprehensive income for the period	-	-	-	(893)	(893)
Balance at 30 September 2008	239,541	14	1,599	47,042	288,196

- 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 30 June 2009, there were no ordinary shares issued pursuant to the exercise of share options.

The share capital of the Company as at 30 September 2009 comprised 197,454,654 ordinary shares.
(30 September 2008: 197,454,654)

As at 30 September 2009, unissued shares under the share option scheme of the Company were as follows:

	<u>30/09/09</u>	<u>30/09/08</u>
The Haw Par Corporation Group 2002 Share Option Scheme	1,098,000	901,000
	<u>1,098,000</u>	<u>901,000</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 auditor.

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 and those as disclosed under paragraph 5.

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.**

On 1 January 2009, the Group adopted the new or revised Singapore Financial Standards (FRS) that are effective in this financial year.

FRS1(R) - Presentation of Financial Statements

FRS 1(R) requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from components of comprehensive income. Components of comprehensive income are presented in a separate statement of comprehensive income.

As a result of the adoption of FRS 1(R), the statement of recognised income and expense is not required to be presented as it will be replaced by the statement of comprehensive income. A statement of changes in equity, showing all changes in equity including capitalisation issues and distributions to shareholders, will be presented.

Comparatives for 2008 have been presented to conform to the requirements of the revised standard.

The adoption of the above FRS did not result in any substantial change to the Group's accounting policy nor any significant impact on the financial statements.

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.

	Group		Group	
	3rd Quarter ended 30 September 2009	2008	9 months Ended 30 September 2009	2008
Earnings per ordinary share:				
(a) Based on the weighted average number of ordinary shares on issue	11.2 cts	10.7 cts	37.5 cts	39.0 cts
(b) On a fully diluted basis	11.2 cts	10.7 cts	37.4 cts	38.9 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.

	Group		Company	
	30/09/09	31/12/08	30/09/09	31/12/08
Net asset value per ordinary share (S\$)	8.59	6.69	1.76	1.95

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.**

3rd quarter ended 30 September 2009

Turnover for 3Q2009 increased by 6.1% to \$33.1m due to higher revenue from healthcare and leisure divisions partially offset by lower rental revenue from property division. Turnover for leisure division was lifted mainly due to the opening of the new oceanarium in Chengdu.

Profit from operations increased by 4.3% to \$23.7m due to higher revenue and lower operating expenses. Healthcare and property divisions recorded improvement in operating profits of 23.1% and 3.9% respectively.

9 months ended 30 September 2009

Turnover for 9M2009 increased by 5.7% to \$92.1m. Profit from operations decreased by 3.8% to \$75.4m due to lower investment income.

Profit contribution from healthcare was 27.6% above last year due to higher sales to Middle East, USA and certain Asia markets, coupled with a decrease in operating expenses. Leisure recorded a 8.8% decrease in operating profits as a result of weak tourism sentiments. Excluding the gain on disposal of Setron Building in prior year, property division achieved 21.7% growth in operating profits with higher rental rates locked in from last year.

Net asset value per share increased from \$6.69 to \$8.59 and the increase in fair value gains as shown in the comprehensive income on page 1 was mainly due to an increase in fair value of available-for-sale financial assets as a result of recovery in equity 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 3Q 2009 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.**

Asian economies appear to show signs of stabilisation. Operating conditions in leisure division are experiencing slow recovery as tourism numbers start to pick up. Healthcare division continues to receive stable forward orders. However, Property division is likely to be impacted by softening of rental rates with substantial new supply of office space in the pipeline in Singapore in the near future.

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 30 September 2009.

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 9 months and 3rd quarter ended 30 September 2009 to be false or misleading.

BY ORDER OF THE BOARD

Zann Lim
Company Secretary
11 November 2009