



SNP CORPORATION LTD
UNAUDITED RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2007

1(a) STATEMENT OF PROFIT AND LOSS FOR THE THREE MONTHS ENDED 31 MARCH 2007
(In Singapore Dollars)

	Q1 2007 \$'000	<u>Group</u> Q1 2006 \$'000	Change %
Continuing operations			
Revenue	97,380	89,872	8
Cost of sales	(78,237)	(72,173)	8
Gross profit	19,143	17,699	8
Other operating income	1,943	2,047	(5)
Distribution costs	(7,749)	(7,152)	8
Administrative expenses	(7,896)	(8,409)	(6)
Other operating expenses	(44)	(5,521)	NM
Finance costs	(2,381)	(2,154)	11
Share of results in associates	157	193	(19)
Share of results in joint ventures	(450)	-	NM
Profit before income tax	2,723	(3,297)	NM
Income tax expense	(409)	(452)	(10)
Profit from Continuing Operations	2,314	(3,749)	NM
Discontinued Operations ⁽ⁱ⁾			
Profit from Discontinued Operations	(1)	14,466	NM
Profit for the year	2,313	10,717	(78)
Attributable to:			
Shareholders of the Company	2,314	10,079	(77)
Minority Interests	(1)	638	NM
	2,313	10,717	(78)

Note :-

- (i) The net gain from divestment of the educational publishing business, which was completed on 1 March 2006 was \$15.3 million and was shown under Discontinued Operations.

	Q1 2007 \$'000	<u>Group</u> Q1 2006 \$'000	Change %
<u>Sales</u>			
Continuing Operations	97,380	89,872	8
Discontinued Operations	-	3,245	NM
	97,380	93,117	5
<u>Profit after tax and MI</u>			
Continuing Operations	2,315	(4,387)	NM
Discontinued Operations	(1)	14,466	NM
	2,314	10,079	(77)



1(a)(ii) The statement of Profit and Loss is arrived at after debiting / (crediting) the following:-

<u>Continuing Operations</u>	<u>Group</u>	
	Q1 2007 \$'000	Q1 2006 \$'000
Depreciation and amortisation	4,621	4,828
Allowance for rebates, returns, doubtful debts and bad debts written off	4	452
Allowance for inventories and inventories written off	60	94
Impairment / revaluation of investments	(539)	3,598
Foreign exchange loss	34	95
Adjustment for under (over) provision of tax in respect of prior years	8	-
Gain on disposal of investments	(779)	(199)
Gain on disposal of property, plant and equipment	(182)	(26)



1(b)(i) BALANCE SHEETS

	<u>Group</u>		<u>Company</u>	
	As at 31/3/2007	As at 31/12/2006 (Restated)	As at 31/3/2007	As at 31/12/2006
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current assets:				
Cash and bank balances	36,897	41,909	598	2,498
Trade receivables	136,269	143,992	848	1,186
Other receivables and prepayments	15,972	23,673	2,980	4,392
Due from subsidiaries	-	-	8,705	7,376
Due from joint ventures	21,992	10,316	-	-
Inventories	46,038	47,271	198	248
Financial assets at fair value through profit or loss	871	4,092	758	2,553
Total current assets	258,039	271,253	14,087	18,253
Non-current assets:				
Deferred tax assets	48	49	-	-
Investments in associates	20,232	20,075	2,563	2,563
Investments in subsidiaries	-	-	205,534	205,534
Investments in joint ventures	9,470	9,895	8,094	8,094
Available-for-sale investments	2,759	4,948	2,753	4,942
Goodwill	19,159	13,852	-	-
Intangible assets	1,535	1,535	1,535	1,535
Investment properties	2,410	2,448	-	-
Property, plant and equipment	134,034	128,018	1,278	1,269
Total non-current assets	189,647	180,820	221,757	223,937
Total assets	447,686	452,073	235,844	242,190
LIABILITIES AND EQUITY				
Current liabilities:				
Bank overdrafts	-	-	3,348	-
Trade payables	49,052	47,574	1,059	1,044
Due to subsidiaries	-	-	47,869	48,145
Due to associates	7,517	2,541	-	-
Other payables	37,815	33,706	4,504	5,871
Income tax payable	5,268	5,082	-	-
Current portion of long-term borrowings	93,633	112,610	37,600	44,100
Derivative financial instruments	928	1,004	-	-
Total current liabilities	194,213	202,517	94,380	99,160
Non-current liabilities:				
Long-term borrowings	110,006	98,348	20,000	20,000
Deferred tax liabilities	4,568	4,653	-	-
Total non-current liabilities	114,574	103,001	20,000	20,000
Capital and reserves:				
Issued capital	66,604	66,306	66,521	66,306
Reserves	(8,688)	(6,075)	2,316	4,049
Accumulated profits	80,476	78,162	52,627	52,675
Equity attributable to shareholders	138,392	138,393	121,464	123,030
Minority interests	507	8,162	-	-
Total equity	138,899	146,555	121,464	123,030
Total liabilities and equity	447,686	452,073	235,844	242,190



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 March 2007	
Secured	Unsecured
\$'000	\$'000
-	93,633

As at 31 December 2006	
Secured	Unsecured
\$'000	\$'000
6,942	105,668

Amount repayable after one year

As at 31 March 2007	
Secured	Unsecured
\$'000	\$'000
-	110,006

As at 31 December 2006	
Secured	Unsecured
\$'000	\$'000
249	98,099

1(c) **CASH FLOWS**

	As at 31/3/2007 \$'000	As at 31/3/2006 \$'000
Cash flows from operating activities		
Profit before income tax	2,715	11,298
Adjustments for:		
Share of results in associates	(157)	(193)
Share of results in joint ventures	450	-
Depreciation on property, plant and equipment	4,621	4,839
Interest expense	2,381	2,154
Gain on disposal of assets classified as held-for-sale	-	(15,273)
Gain on disposal of financial assets at fair value through profit or loss	(284)	(199)
Gain on disposal of financial assets available-for-sale	(495)	-
Gain on disposal of property, plant and equipment - net	(182)	(26)
Interest income	(193)	(156)
Fair value (gain) loss adjustment through profit or loss	(539)	3,598
Share-based payment	63	119
Operating profit before working capital changes	8,380	6,161



1(c) CASH FLOW (cont'd)

	As at 31/3/2007 \$'000	As at 31/3/2006 \$'000
Trade receivables	7,723	17,260
Other receivables and prepayments	7,701	2,985
Due from joint ventures ⁽¹⁾	(11,676)	-
Inventories	1,233	4,587
Trade payables	1,478	(9,064)
Other payables	4,109	(304)
Due to associates	4,976	1,073
Cash from operations	<u>23,924</u>	<u>22,698</u>
Income tax paid	253	(612)
Interest paid	(2,381)	(2,154)
Interest received	193	156
Net cash from operating activities	<u>21,989</u>	<u>20,088</u>
Cash flows from investing activities		
Acquisition of additional interest in a subsidiary ⁽²⁾	(13,600)	-
Acquisition of joint venture	-	(5,067)
Acquisition of financial assets at fair value through profit or loss	(109)	(1,239)
Acquisition of loans and receivables	-	(40,559)
Proceeds from disposal of financial assets at fair value through profit or loss	4,153	1,444
Proceeds from disposal of available-for-sale investments	831	-
Proceeds from disposal of property, plant and equipment	2,412	2,064
Proceeds from disposal of business	-	26,098
Purchase of property, plant and equipment	(13,759)	(4,854)
Others	168	497
Net cash used in investing activities	<u>(19,904)</u>	<u>(21,616)</u>
Cash flows from financing activities		
Proceeds from issue of shares	298	105
Repayment of obligations under finance obligations	(150)	(180)
(Decrease) Increase in borrowings	(7,245)	(16,538)
Net cash (used in) from financing activities	<u>(7,097)</u>	<u>(16,613)</u>
Net decrease in cash	(5,012)	(18,141)
Cash at beginning of year	41,909	64,164
Cash at end of period	<u><u>36,897</u></u>	<u><u>46,023</u></u>

Notes :-

(1) Consists mainly of a shareholder's loan to Leefung Shanghai in accordance with its Joint Venture Agreement dated 30 August 2005

(2) For the acquisition of remaining 40% interest in SNP Yau Yue



1(d) (i) STATEMENT OF CHANGES IN EQUITY

Group	Issued capital \$'000	Share premium \$'000	Treasury shares \$'000	Other capital reserves \$'000	Share option reserves \$'000	Currency translation reserves \$'000	Revaluation reserves \$'000	Accumulated profits \$'000	Attributable to equity holders of the company \$'000	Minority interests \$'000	Total \$'000
As at 1 January 2006	58,215	7,926	-	10,172	399	(10,217)	2,207	58,276	126,978	58,777	185,755
Effects of adopting FRS 40	-	-	-	-	-	-	(2,003)	2,003	-	-	-
Revaluation of available-for-sale investments	-	-	-	-	-	-	1,418	-	1,418	-	1,418
Currency translation differences	-	-	-	-	-	(3,833)	-	-	(3,833)	(1,408)	(5,241)
Net profit for the period	-	-	-	-	-	-	-	10,079	10,079	638	10,717
Recognition of share-based payment	-	-	-	-	77	-	-	-	77	-	77
Transfer from share premium account ⁽ⁱ⁾	7,926	(7,926)	-	-	-	-	-	-	-	-	-
Issue of shares	106	-	-	-	-	-	-	-	106	-	106
As at 31 March 2006 (Restated)	66,247	-	-	10,172	476	(14,050)	1,622	70,358	134,825	58,007	192,832
As at 1 January 2007	66,306	-	(83)	10,172	545	(20,063)	5,105	76,411	138,393	8,162	146,555
Effects of adopting FRS 40	-	-	-	-	-	-	(1,751)	1,751	-	-	-
Revaluation of available-for-sale investments	-	-	-	-	-	-	(1,853)	-	(1,853)	-	(1,853)
Net profit for the period	-	-	-	-	-	-	-	2,314	2,314	(1)	2,313
Recognition of share-based payment	-	-	-	-	63	-	-	-	63	-	63
Currency translation differences	-	-	-	-	-	(823)	-	-	(823)	(209)	(1,032)
Additional investment in subsidiary	-	-	-	-	-	-	-	-	-	(7,445)	(7,445)
Issue of shares	298	-	-	-	-	-	-	-	298	-	298
As at 31 March 2007	66,604	-	(83)	10,172	608	(20,886)	1,501	80,476	138,392	507	138,899

Note (i) As a result of the adoption of the Singapore Companies (Amendment) Act 2005 effective 30 January 2006, the concept of authorised share capital and par value has been abolished. Any amount outstanding to the credit of share premium account has been transferred to the share capital account.

- 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.**

During the period, the Company issued 458,000 ordinary shares upon the exercise of the options granted under the SNP Share Option Plan. As at 31 March 2007, there are 4,368,000 shares that could be issued on exercise of share options (31 March 2006, 4,118,750 shares could be issued on exercise of share options).

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

The figures have not been audited nor reviewed by auditors.

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

The same accounting policies and methods of computations have been consistently applied, except for FRS 40 – Investment Property which came into effect on 1 January 2007.

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.**

The Group and the Company have adopted all of the new and revised FRSs and Interpretations of FRS ("INT FRS") issued by the Council on Corporate Disclosure and Governance that are relevant to their operations and effective for accounting period beginning on and after 1 January 2007. The adoption of these new and revised FRSs and INT FRSs has no material effect on the results of the Group.

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

Earnings per share (from Continuing and Discontinued Operations)
after deducting any provision for preference dividends :-

- (a) Based on weighted average number of ordinary shares in issue (cents)
- (b) On a fully diluted basis (cents)

Group	
Q1 2007	Q1 2006
1.98	8.65
1.97	8.59

Continuing Operations

Earnings per share after deducting any provision for preference dividends :-

- (a) Based on weighted average number of ordinary shares in issue (cents)
- (b) On a fully diluted basis (cents)

Group	
Q1 2007	Q1 2006
1.98	(3.76)
1.97	(3.74)

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

Net assets per ordinary share

Group		Company	
Q 1 2007 (\$)	FY 2006 (\$)	Q 1 2007 (\$)	FY 2006 (\$)
1.18	1.19	1.04	1.06



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.

(i) Turnover

Q1 2007 vs Q1 2006

	Turnover			
	Q1 2007	Q1 2006	Growth	
Business Activity	\$'000	\$'000	\$'000	%
<u>Continuing Operations</u>				
Commercial Printing	81,878	72,252	9,626	13
Security Printing	12,975	15,891	(2,916)	(18)
Others	2,527	1,729	798	46
Sub-total	97,380	89,872	7,508	8
<u>Discontinued Operations</u>	-	3,245	(3,245)	NM
Total	97,380	93,117	4,263	5

Under Continuing Operations, Group turnover for Q1 2007 increased by \$7.5 million or 8% as compared to the corresponding period of the previous year. The growth was mainly from Commercial Printing segment which registered a strong growth of 13% or \$9.6 million with higher sales from all its divisions, in particular, the packaging and pop-up divisions.

Turnover for Security Printing segment, however fell by \$2.9 million or 18%, attributable mainly to the delay in printing of some IPO jobs in Hong Kong to Q2.

(ii) Profit After Tax and Minority Interests ("PATMI")

Q1 2007 vs Q1 2006

	Profit/(loss) after tax and MI			
	Q1 2007	Q1 2006	Growth	
Business Activity	\$'000	\$'000	\$'000	%
<u>Continuing Operations</u>				
Commercial Printing	1,852	744	1,108	149
Security Printing	472	925	(453)	(49)
Corporate & Others	(9)	(6,056)	6,047	NM
Sub-total	2,315	(4,387)	6,702	NM
<u>Discontinued Operations</u>	(1)	14,466	(14,467)	NM
Total	2,314	10,079	(7,765)	(77)

Under Continuing Operations, the Group achieved a PATMI of \$2.3 million, a \$6.7 million improvement compared to a loss of \$4.4 million in the corresponding period last year due to higher profit contribution from Commercial Printing segment and lower Corporate loss.



For Q1 2007, the PATMI of Commercial Printing amounted to \$1.9 million and was more than double that of the corresponding period last year as a result of improved efficiency and lower minority interests.

However, PATMI of Security Printing segment was lower than that of Q1 2006 by \$0.5 million, due to lower sales.

Under Corporate & Others for Q1 2007, the improvement in PATMI was S\$6.0 million and was attributable to revaluation and disposal gains from quoted shares and lower corporate expenses. In Q1 2006, there was a provision of \$3.8 million made for impairment of non-core investments.

For Q1 2007, the Group's PATMI fell by \$7.8 million or 77% as compared to the corresponding period of last year due to a one-time gain of \$15.3 million from divestment of the educational publishing business in March 2006.

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

Not applicable.

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.**

We expect Commercial Printing to continue growing with higher profitability from Packaging Printing and Pop-up Printing divisions.

Security Printing is also expected to perform well.

On the whole, the Directors expect the Group's performance in FY 2007 to be better.

11. **DIVIDEND**

(a) Current Financial Period Reported On

None

(b) Corresponding Period of the Immediately Preceding Financial Year

None

(c) Date Payable

None.

(d) Books Closure Date

None.



12 **BUSINESS SEGMENTAL INFORMATION**
By Business Segment – Continuing Operations

Q1 2007	Commercial Printing \$'000	Security Printing \$'000	Corporate \$'000	Eliminations \$'000	Total \$'000
Turnover					
External sales	81,878	12,975	2,527		97,380
Inter-segment sales	-	366	1,135	(1,501)	-
Total Sales	<u>81,878</u>	<u>13,341</u>	<u>3,662</u>	<u>(1,501)</u>	<u>97,380</u>
Results					
Segment results	4,245	712	440		5,397
Finance costs					(2,381)
Share of results in associates					157
Share of results in joint ventures					(450)
Profit before income tax					<u>2,723</u>
Income tax expense					(409)
Profit for the year from continuing operations					<u><u>2,314</u></u>
Other information					
Capital expenditure	11,688	1,984	87		13,759
Depreciation and amortisation	3,959	573	89		<u>4,621</u>
Assets					
Segment assets	329,692	28,093	12,905		370,690
Investments in associates					20,232
Investments in joint ventures					9,470
Unallocated corporate assets					47,294
Total					<u><u>447,686</u></u>
Liabilities					
Segment liabilities	91,634	8,512	6,246		106,392
Unallocated corporate liabilities					202,395
Total					<u><u>308,787</u></u>
Comprising					
Current liabilities					194,213
Non-current liabilities					114,574
					<u><u>308,787</u></u>



12 **BUSINESS SEGMENTAL INFORMATION (cont'd)**
By Business Segment – Continuing Operations

Q1 2006	Commercial Printing \$'000	Security Printing \$'000	Corporate \$'000	Eliminations \$'000	Total \$'000
Turnover					
External sales	72,252	15,891	1,729	-	89,872
Inter-segment sales	-	364	545	(909)	-
Total Sales	<u>72,252</u>	<u>16,255</u>	<u>2,274</u>	<u>(909)</u>	<u>89,872</u>
Results					
Segment results	3,141	1,216	(5,693)		(1,336)
Finance costs					(2,154)
Share of results in associates					<u>193</u>
Loss before income tax					(3,297)
Income tax expense					<u>(452)</u>
Loss for the year from continuing operations					<u>(3,749)</u>
Other information					
Capital expenditure	2,402	2,446	6		4,854
Depreciation and amortisation	4,053	669	106		<u>4,828</u>
Assets					
Segment assets	310,934	32,617	11,798		355,349
Investments in associates					25,146
Investments in joint ventures					6,610
Unallocated corporate assets					<u>109,046</u>
Total					<u>496,151</u>
Liabilities					
Segment liabilities	121,630	12,059	5,102		138,791
Unallocated corporate liabilities					<u>164,528</u>
Total					<u>303,319</u>
Comprising					
Current liabilities					177,072
Non-current liabilities					<u>126,247</u>
					<u>303,319</u>



12 **BUSINESS SEGMENTAL INFORMATION (cont'd)**
By Geographical Segment

<u>Continuing and Discontinued</u> <u>Operations</u>	<u>Turnover</u>		<u>PATMI</u>	
	<u>Q1 2007</u>	<u>Q1 2006</u>	<u>Q1 2007</u>	<u>Q1 2006</u> <u>Restated</u>
	\$'000	\$'000	\$'000	\$'000
China / Hong Kong	82,259	74,727	1,709	8,183
Singapore	10,878	12,845	613	2,451
South East Asia (exclude Singapore)	4,243	5,545	(8)	(555)
Total	97,380	93,117	2,314	10,079

13 **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

The PATMI for the China/ Hong Kong segment fell by \$6.5 million as compared to Q1 2006. This was due mainly to the inclusion of a gain of \$7.7 million from the divestment of Panpac (Hong Kong) in Q1 2006. For Continuing Operations, PATMI in fact increased by \$0.8 million (85%) due to strong performance from SNP Leefung.

The PATMI for the Singapore segment fell by \$1.8 million. However, the PATMI of Continuing Operations improved by \$6.0 million over the corresponding period last year. This was attributable to lower provisions for impairment in investments as well as revaluation and disposal gains on quoted shares in Q1 2007.

14 **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total Annual Dividend

	Latest Full Year (\$'000)	Previous Full Year (\$'000)
Ordinary	-	-
Preference	-	-
Total	-	-



15 INTERESTED PERSON TRANSACTIONS

Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual

<u>Name of Interested Persons</u>	Q1 2007 \$	Q1 2006 \$
General Transactions - Transactions for the Sale of Goods and Services		
Singapore Airlines Ltd	17,955	29,012
StarHub Ltd	200,000	870,141
	<u>217,955</u>	<u>899,153</u>

Aggregate value of all transactions exceeding the materiality threshold pursuant to Chapter 9 of the SGX Listing Manual

	Q1 2007 \$	Q1 2006 \$
InnerWorkings, Inc.		
- Investment	-	2,033,750
- License fees	-	1,627,000

BY ORDER OF THE BOARD

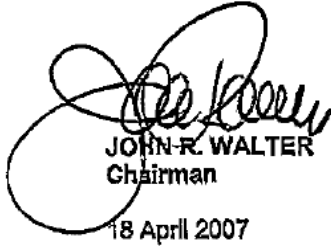
KOO TSE CHIA
Company Secretary
18 April 2007



CONFIRMATION BY THE BOARD

We, JOHN R. WALTER and YEO CHEE TONG, being two directors of SNP Corporation Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the first quarter 2007 financial results to be false or misleading.

On behalf of the board of directors



JOHN R. WALTER
Chairman
18 April 2007



YEO CHEE TONG
President & CEO