

**JACKS INTERNATIONAL LIMITED**  
**ANNOUNCEMENT OF RESULTS**  
FOR THE HALF YEAR ENDED 31ST JULY 2005

**Part I Information required for announcements of quarterly (Q1, Q2 & Q3), Half year and Full year results**

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

	Note	Group		Change % + / (-)
		Unaudited 31.07.05 S\$'000	Unaudited 31.07.04 S\$'000	
<b>Turnover</b>		<b>307,566</b>	311,030	-1
Cost of sales		<b>(279,820)</b>	(280,319)	0
Contract costs		<b>(3,168)</b>	(3,618)	-12
<b>Gross profit</b>		<b>24,578</b>	27,093	-9
Distribution costs		<b>(10,356)</b>	(10,678)	-3
Administration and other operating expenses		<b>(16,049)</b>	(13,903)	15
<b>Profit/(loss) from operating activities</b>	(i)	<b>(1,827)</b>	2,512	N.M
Finance costs		<b>(2,662)</b>	(2,205)	21
Interest Income		<b>65</b>	28	132
Exceptional Item	(ii)	<b>1,606</b>	-	100
<b>Profit/(loss) from operating activities before taxation and minority interest</b>		<b>(2,818)</b>	335	N.M
Taxation	(iii)	<b>1,407</b>	(276)	N.M.
<b>Profit/(loss) from operating activities after taxation but before minority interest</b>		<b>(1,411)</b>	59	N.M
Minority interests		<b>474</b>	(216)	N.M
<b>Net loss for the financial period</b>		<b>(937)</b>	(157)	497

N.M. : Not Meaningful

Note:

	Unaudited 31.07.05 S\$'000	Group Unaudited 31.07.04 S\$'000	Change % +/( - )
<b>(i) Operating profit/(loss) is arrived after charging/(crediting):-</b>			
Depreciation of property, plant and equipment	1,817	1,269	43
Foreign currency translation adjustments- loss/(gain)			
- realised	(2)	2	N.M.
- unrealised	-	(22)	-100
Amortisation of purchased goodwill	-	145	-100
<b>(ii) Exceptional Item</b>			
Gain on disposal of property	1,606	-	100
<b>(iii) Taxation</b>			
Current			
- Singapore	-	3	-100
- Foreign	1,407	(279)	N.M.
	<u>1,407</u>	<u>(276)</u>	N.M.

N.M. : Not Meaningful

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

	<b>Group</b>		<b>Company</b>	
	<b>Unaudited</b>	Audited Restated	<b>Unaudited</b>	Audited
	<b>31.07.05</b>	31.01.05	<b>31.07.05</b>	31.01.05
	<b>S\$'000</b>	S\$'000	<b>S\$'000</b>	S\$'000
<b>ASSETS LESS LIABILITIES</b>				
<b>Non-current assets</b>				
Property, plant and equipment, net	<b>24,959</b>	30,875	-	-
Investment in subsidiary companies	-	-	<b>40,632</b>	40,632
Intangibles	<b>4,068</b>	4,299	-	-
Long-term investments	<b>800</b>	848	-	-
Deferred tax benefits	<b>3,138</b>	3,138	-	-
	<b>32,965</b>	39,160	<b>40,632</b>	40,632
<b>Current assets</b>				
Inventories	<b>89,357</b>	109,696	-	-
Trade receivables	<b>40,078</b>	16,632	-	-
Other receivables	<b>7,438</b>	13,732	-	12
Short-term investments	<b>1,308</b>	-	-	-
Fixed deposit, cash and bank balances	<b>3,117</b>	12,069	<b>441</b>	160
	<b>141,298</b>	152,129	<b>441</b>	172
<b>Current liabilities</b>				
Trade payables	<b>120,305</b>	115,078	-	-
Other payables	<b>814</b>	15,614	<b>332</b>	297
Bank borrowings	<b>5,644</b>	6,127	-	-
Income tax	<b>12</b>	21	<b>490</b>	500
	<b>126,775</b>	136,840	<b>822</b>	797
<b>Net current assets/(liabilities)</b>	<b>14,523</b>	15,289	<b>(381)</b>	(625)
<b>Non-current liabilities</b>				
Long-term liabilities	<b>19,449</b>	24,628	-	-
Deferred tax liability	<b>1,072</b>	1,239	-	-
Amount due to subsidiaries	-	-	<b>12,380</b>	12,393
<b>Net assets</b>	<b>26,967</b>	28,582	<b>27,871</b>	27,614
<b>EQUITY</b>				
Share capital	<b>30,000</b>	30,000	<b>30,000</b>	30,000
Reserves	<b>(10,552)</b>	(9,617)	<b>(2,129)</b>	(2,386)
<b>Total equity</b>	<b>19,448</b>	20,383	<b>27,871</b>	27,614
Minority interest	<b>7,519</b>	8,199	-	-
<b>EQUITY AND MINORITY INTEREST</b>	<b>26,967</b>	28,582	<b>27,871</b>	27,614

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

Amount repayable in one year or less, or on demand

As at 31.07.05		As at 31.01.05	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
5,644	-	6,127	-

Amount repayable after one year

As at 31.07.05		As at 31.01.05	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1,915	-	9,559	-

Details of any collateral

Group's borrowings are secured by specific charges on the freehold and leasehold land and buildings and by floating charges on the other assets of the subsidiary companies.

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

	Group	
	Unaudited 31.07.05	Unaudited 31.07.04
	S\$'000	S\$'000
<b>Cash flow from operating activities:</b>		
Profit/(loss) from operating activities before finance costs, interest income, taxation and minority interest	(1,827)	2,512
Exceptional Item	1,606	-
	(221)	2,512
Adjustments for:		
Amortisation of purchased goodwill	-	145
Depreciation of property, plant & equipment	1,817	1,269
Foreign currency translation adjustment arising on consolidation	1,413	385
(Gain)/loss on disposal of property, plant and equipment	(1,606)	-
<b>Operating profit before reinvestment of working capital</b>	<b>1,403</b>	<b>4,311</b>
(Increase)/decrease in receivables	(15,800)	(4,871)
(Increase)/decrease in inventories	20,339	(11,959)
Increase/(decrease) in payables	(9,740)	17,881
<b>Cash generated from / (used in) operations</b>	<b>(3,798)</b>	<b>5,362</b>
Interest income received	65	28
Interest paid	(2,662)	(2,205)
Income taxes (paid) / refunded	(11)	(731)
<b>Net cash flows used in operating activities</b>	<b>(6,406)</b>	<b>2,454</b>
<b>Cash flow from investing activities:</b>		
Purchase of property, plant and equipment	(3,085)	(3,377)
Proceeds from sale of property, plant and equipment	7,509	13
Acquisition of short term investment	(1,308)	-
<b>Net cash flows (used in) / provided by investing activities</b>	<b>3,116</b>	<b>(3,364)</b>
<b>Cash flow from financing activities:</b>		
Increase/(decrease) in long term liabilities	(5,234)	(448)
Dividends paid	-	(1,302)
Dividends paid to minority shareholders in a subsidiary company	-	(378)
<b>Net cash flows used in financing activities</b>	<b>(5,234)</b>	<b>(2,128)</b>
Net decrease in cash and cash equivalents	(8,524)	(3,038)
Cash and cash equivalents at beginning of financial year	7,625	14,364
<b>Cash and cash equivalents at end of period (Note A)</b>	<b>(899)</b>	<b>11,326</b>

	Group	Group
	Unaudited	Unaudited
	31.07.05	31.07.04
	S\$'000	S\$'000
Note A:		
Cash and Cash Equivalents		
Cash and bank balances	2,572	14,007
Fixed deposits placed with licensed banks	545	-
	3,117	14,007
Bank overdraft	(2,365)	-2681
Bill payable	(1,651)	-
	(899)	11,326

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

	Group		Company	
	Unaudited 31.07.05 S\$'000	Unaudited 31.07.04 S\$'000	Unaudited 31.07.05 S\$'000	Unaudited 31.07.04 S\$'000
<b>ISSUE CAPITAL AND RESERVES</b>				
(i) Issue capital - shares of S\$0.20 each				
At 1 February/31 July	30,000	30,000	30,000	30,000
(ii) Fixed assets revaluation surplus:				
At 1 February/31 July	1,033	1,033	-	-
Realised of revaluation reserve	-	-	-	-
At 1 February/31 July	1,033	1,033	-	-
(iii) Capital redemption reserves				
At 1 February/31 July	3,361	3,361	-	-
(iv) Currency translation adjustment reserve:				
At 1 February	(4,432)	(4,428)	-	-
Adjustment for the current period	2	660	-	-
At 31 July	(4,430)	(3,768)	-	-
(vi) (Accumulated losses)/retained profits				
At 1 February	(9,579)	(4,988)	(2,385)	(235)
- Prior year adjustment	-	(3,236)	-	-
At 1 February (Restated)	(9,579)	(8,224)	(2,385)	(235)
Dividends declared for the period	-	(411)	-	(411)
Revaluation surplus realised	-	-	-	-
Net (loss)/profit for the period	(937)	(157)	256	412
	(10,516)	(8,792)	(2,129)	(234)
Balance at 31 July	19,448	21,834	27,871	29,766

1(d)(ii )

Details of any changes in the company's share capital arising from rights issue, bonue 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

Not Applicable

- 2 Whether the figures have been audited, reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed by the 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 financial statements have been applied

Except as disclosed in paragraph 5 below, the group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those of the Group's most recently audited financial statements for the financial year ended 31 January 2005.

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

During the financial period ended 31 July 2005, the Group and the Company adopted the following Financial Reporting Standards ("FRS") and new accounting policies:-

**FRS 39 (revised 2004) Financial Instruments: Recognition and Measurement**

The adoption of FRS 39 has no material impact on the financial statements for the period under review.

**FRS 103 Business Combinations**

The adoption of FRS103 results in a change in the accounting policy for goodwill. Prior to 1 February 2005, goodwill was:

- amortised using the straight-line basis over a period of between 5 to 20 years; and
- it is reviewed for impairment at the end of the first full financial year following acquisition and in other periods if events or circumstances indicate that the carrying value may not be recoverable.

In accordance with the provisions of FRS103:

- The Group ceased amortisation of goodwill from 1 February 2005;
- Goodwill is tested annually for impairment, as well as when there is indication of impairment.

**FRS 19 Employee Benefits**

Prior to 1 February 2005, the Group recognised the actuarial gains and losses over the expected average remaining working lives of the employees participating in a defined benefit pension scheme plan of its subsidiaries in the United Kingdom ("UK") in the profits and loss accounts.

With effect from 1 February 2005, in accordance with the option available in the revised FRS 19 in respect of defined benefit pension scheme, the Group has opted to accelerate the recognition of actuarial gain or losses for its defined benefit plan to be consistent with the new accounting policy adopted on the effective date by its UK subsidiaries for the financial period beginning 1 February 2005. The change in accounting policy will result in the cumulative actuarial losses as at 31 January 2005 being recognised as a prior year adjustment and is reflected in paragraph 1(d)(i). The future actuarial gain and losses will be presented through the statement of recognised income and expenses instead of the profit and loss account.



- 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	
	31.07.05 Cents	31.07.04 Cents
-Based on weighted average number of ordinary shares in issue	-0.62	-0.10
-On a fully diluted basis	-0.62	-0.10

Loss per ordinary share of the group was computed based on the weighted average number of ordinary shares in issued of 150,000,000 (2004: 150,000,000). There are no dilutive elements to account for.

- 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) currently period reported on and (b) immediately preceding financial year

	Group		Company	
	31.07.05 Cents	31.07.04 Cents	31.07.05 Cents	31.07.04 Cents
Net Assets backing per ordinary share based on existing issued share capital as at the end of the period reported on	13.0	17.6	18.6	19.8

Net asset value per ordinary share was based on 150,000,000 (2004: 150,000,000) ordinary shares as at end of the reporting period.

- 8 For the six months under review, the Group reported a loss before taxation of S\$ 2.818 million compared to a profit before taxation of S\$ 335,000 for the same period last year. The loss is principally due to the loss suffered by William Jacks PLC. Turnover was 1.1% lower at S\$ 307.566 million compared to the same period last year at S\$ 311.030 million. After accounting for the UK corporation tax credit of S\$ 1.4 million and the minority interest of S\$ 474,000, the attributable loss was S\$ 937,000 compared to S\$ 157,000 in the same period last year.

William Jacks Plc

The motor group's turnover was higher at GBP 96.5 million compared to GBP 96.2 million for the corresponding period of last year. The loss before taxation of GBP 825,000 is after a profit of GBP 525,000 from the sale of the premises in Portslade. This compares with a profit before taxation of GBP 250,000 for the six months to 31 July 2004. Trading generally in the motor sector has been, and remains difficult, with margins particularly under great pressure.

William Jacks & Co (S) Pte Ltd

Nature's Farm Pte Ltd

The health foods and supplements business registered a loss of S\$ 178,000 (2004 : a loss of S\$ 223,000) for the six months under review, despite a lower turnover of S\$ 8.068 million (2004 : S\$ 8.145 million). The improved result was due to lower operating expenses.

William Jacks (Australia) Pty Ltd

William Jacks Australia recorded a profit of A\$ 43,000 (2004 : a profit of A\$ 131,000) mainly due to lower sales of A\$ 3.203 million (2004 : A\$ 3.772 million).

- 9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, the issuer must explain any variance between the forecast or prospect statement and the actual results

Not Applicable

10 Commentary at the date of the announcement of the 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

Although the first six months have been difficult for William Jacks Plc ("WJPlc"), the BMW and MINI dealerships in Sunningdale continue to perform well. WJPlc now has unconditional planning consent for the planned after-sales facility to be constructed in South Ascot which, when completed in the Spring of 2006, will benefit these already strong operations. The Land Rover franchise continues to be profitable and the recent arrival of the new Range Rover Sport will produce a more robust performance in the second half. Whilst Jaguar businesses generally have performed better than the national average, profitability has been severely eroded by extreme pressure on margins and a significant decline in market share. Our Volvo group is now more settled following recent relocation issues, however pressure on margins, especially in the corporate sector, remains a challenge.

Cost saving measures are now being implemented, including a reduction in headcount across the WJPlc group which will represent over 10% of its total staff employed. This will make for savings in excess of GBP1.5 million in a full year. Redundancy costs will be reflected within the second half results, but the statutory element itself is not expected to exceed GBP50,000.

The health foods and supplements in Singapore will continue to consolidate its plan to introduce new niche products in the market to broaden its sales and further strengthen selective categories of our existing products range.

Our fabrication and engineering business in Australia will continue to source for higher margins contracts and is expected to continue to perform within expectation.

11 Dividend

(a) Current Period

Any dividend recommended for the current financial period reported on?

None

Name of Dividend	Interim
Dividend Type	NIL
Dividend Rate	NIL
Par value of shares	NIL
Tax Rate	NIL

(b) Previous Corresponding Period

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (In cents)	0.274 cents per ordinary share (one-tier tax)
Optional:- Dividend Rate in (%)	1.37% per ordinary share
Par value of shares	20 Cents
Tax Rate	Exempt one-tier

(c) Date Payable

Not Applicable

(d) Books Closing Date

Not Applicable

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

Not Applicable

**PART II - Additional information required for full year announcement**  
**(This is not applicable to Q1, Q2,Q3 or Half-year results)**

- 13 Segmental revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year

Not Applicable

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

Not Applicable

- 15 A breakdown of sales

Not Applicable

- 16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and

Not Applicable

BY ORDER OF THE BOARD

James Koh Chuan Lim  
Peter Tam Kui Pui  
COMPANY SECRETARIES

Singapore  
14.09.2005