

Fifth Quarter and Fifteen Months Financial Statements Announcement

The Directors of Singapura Finance Ltd are pleased to announce the fifth quarter and fifteen months financial statements on consolidated results for the period ended 30 September 2016. These figures have not been audited or reviewed by the Auditors.

1(a) Unaudited Group Results for the Fifth Quarter and Fifteen Months ended 30 September 2016

| | 5 th Quarter Sep 2016 | 5 th Quarter Sep 2015* | + / (-) | 15 Months Sep 2016 | 15 Months Sep 2015* | + / (-) |
|-------------------------------------------------|----------------------------------------|-----------------------------------------|---------------|-----------------------|------------------------|---------------|
| | \$'000 | \$'000 | % | \$'000 | \$'000 | % |
| Interest income and hiring charges | 8,203 | 8,959 | (8.4) | 43,184 | 40,376 | 7.0 |
| Interest expense | (3,388) | (2,985) | 13.5 | (16,655) | (12,185) | 36.7 |
| Net interest and hiring charges | 4,815 | 5,974 | (19.4) | 26,529 | 28,191 | (5.9) |
| Fee and commission income | 374 | 283 | 32.2 | 1,663 | 1,129 | 47.3 |
| Dividend income | - | 23 | (100.0) | 223 | 414 | (46.1) |
| Gain on sale of investments | - | - | n.m. | 417 | 83 | 402.4 |
| Other operating income | 79 | 103 | (23.3) | 470 | 559 | (15.9) |
| Income before operating expenses | 5,268 | 6,383 | (17.5) | 29,302 | 30,376 | (3.5) |
| Staff costs | (1,917) | (2,531) | (24.3) | (10,284) | (11,664) | (11.8) |
| Depreciation of property, plant and equipment | (161) | (177) | (9.0) | (997) | (925) | 7.8 |
| Other operating expenses | (1,711) | (2,212) | (22.6) | (10,136) | (9,372) | 8.2 |
| Total operating expenses | (3,789) | (4,920) | (23.0) | (21,417) | (21,961) | (2.5) |
| Profit from operations before allowances | 1,479 | 1,463 | 1.1 | 7,885 | 8,415 | (6.3) |
| Allowances for loan losses (net) | (847) | (575) | 47.3 | (4,170) | (1,663) | 150.8 |
| Impairment loss on investments | - | - | n.m. | (740) | (400) | 85.0 |
| Profit before tax | 632 | 888 | (28.8) | 2,975 | 6,352 | (53.2) |
| Tax expense | (104) | (145) | (28.3) | (483) | (1,066) | (54.7) |
| Profit after tax | 528 | 743 | (28.9) | 2,492 | 5,286 | (52.9) |

n.m. – not meaningful

Notes :

This announcement covered a 15 month period from 1 July 2015 to 30 September 2016. The Company has changed its financial year end from 30 June to 31 December (please refer to the announcement reference no. SG151204OTHRACK7A dated 4 December 2015). The financial period for FY2015/2016 will now cover a 18 month period from 1 July 2015 to 31 December 2016.

*The 3 month period results ended 30 September 2015 are for comparative purposes only and not consolidated in the 12 month period results ended 30 June 2015. The 15 month period results ended 30 September 2015, which is computed by adding the results of the 3 month period ended 30 September 2015 to that of 12 month period ended 30 June 2015, is also presented for comparative purposes.

1(b) Earnings per ordinary share of the group (annualised):-

| | 5th Quarter Sep 2016 | 5 th Quarter Sep 2015 | 15 Months Sep 2016 | 15 Months Sep 2015 |
|-------------------------------------------------------------------------------|--------------------------------------------|-------------------------------------|-------------------------------|-----------------------|
| Based on the weighted average number of ordinary shares in issue (cents); and | 1.33 | 1.87 | 1.26 | 3.08 |
| On a fully diluted basis (cents) | 1.33 | 1.87 | 1.26 | 3.08 |

Note

The Group's basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 158,685,890 for 5th Quarter and 15 Months ended 30 September 2016 (30 September 2015 : 158,685,890 (5th Quarter) and 137,233,024 (15 Months) shares).

There are no potential dilutive ordinary shares for the periods ended 30 September 2016 and 2015.

1(c) Unaudited Group Statement of Comprehensive Income for the Fifth Quarter and Fifteen Months ended 30 September 2016

| | 5th Quarter Sep 2016 | 5 th Quarter Sep 2015 | + / (-) | 15 Months Sep 2016 | 15 Months Sep 2015 | + / (-) |
|-------------------------------------------------------------------------------------------|--------------------------------------------|-------------------------------------|---------|-------------------------------|-----------------------|---------|
| | \$'000 | \$'000 | % | \$'000 | \$'000 | % |
| Profit for the period | 528 | 743 | (28.9) | 2,492 | 5,286 | (52.9) |
| Other comprehensive income: | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | |
| Net change in fair value of available-for-sale investments | 169 | (100) | n.m. | 3,063 | (1,741) | n.m. |
| Net change in fair value of available-for-sale investments reclassified to profit or loss | | | | | | |
| - on disposal | - | - | n.m. | (417) | (83) | 402.4 |
| - on impairment | - | - | n.m. | 740 | 400 | 85.0 |
| Tax on items that may be reclassified subsequently to profit or loss | (29) | 17 | n.m. | (576) | 242 | n.m. |
| Other comprehensive income for the period, net of tax | 140 | (83) | n.m. | 2,810 | (1,182) | n.m. |
| Total comprehensive income for the period | 668 | 660 | 1.2 | 5,302 | 4,104 | 29.2 |

n.m. – not meaningful

2(a) Balance Sheets

| | Group | | Company | |
|------------------------------------------------------------|------------------|------------------|------------------|------------------|
| | 30-Sep-16 | 30-Jun-15 | 30-Sep-16 | 30-Jun-15 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Assets | | | | |
| Cash and cash equivalents | 117,190 | 140,625 | 117,027 | 140,589 |
| Statutory deposit with the Monetary Authority of Singapore | 23,447 | 24,358 | 23,447 | 24,358 |
| Investments | 125,368 | 122,512 | 125,368 | 122,512 |
| Loans and advances | 880,541 | 935,483 | 880,541 | 935,483 |
| Others receivables, deposits and prepayments | 3,367 | 6,168 | 3,367 | 6,168 |
| Subsidiaries | - | - | 125 | 125 |
| Property, plant and equipment | 8,385 | 8,667 | 8,385 | 8,667 |
| Total assets | 1,158,298 | 1,237,813 | 1,158,260 | 1,237,902 |
| Equity | | | | |
| Share capital | 168,896 | 168,896 | 168,896 | 168,896 |
| Reserves | 81,811 | 79,683 | 79,842 | 77,862 |
| Total equity attributable to owners of the Company | 250,707 | 248,579 | 248,738 | 246,758 |
| Liabilities | | | | |
| Deposits and savings accounts of customers | 892,036 | 978,143 | 894,195 | 980,285 |
| Trade and other payables | 12,911 | 9,049 | 12,689 | 8,823 |
| Current tax liabilities | 1,075 | 655 | 1,069 | 649 |
| Staff retirement gratuities | 1,281 | 1,350 | 1,281 | 1,350 |
| Deferred tax liabilities | 288 | 37 | 288 | 37 |
| Total liabilities | 907,591 | 989,234 | 909,522 | 991,144 |
| Total equity and liabilities | 1,158,298 | 1,237,813 | 1,158,260 | 1,237,902 |

2(b) Net Asset Value

| | | | | |
|-----------------------------------------|-------------|------|-------------|------|
| Net asset value per ordinary share (\$) | 1.58 | 1.57 | 1.57 | 1.56 |
|-----------------------------------------|-------------|------|-------------|------|

The net asset value per share is calculated based on the number of shares of 158,685,890 ordinary shares in issue at the end of 30 September 2016 and 30 June 2015.

3. Consolidated Cash Flow Statement

| | 5 th Quarter Sep 2016 | 5 th Quarter Sep 2015* | 15 Months Sep 2016 | 15 Months Sep 2015* |
|-------------------------------------------------------------|-------------------------------------|--------------------------------------|-----------------------|------------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash flows from operating activities | | | | |
| Profit for the period | 528 | 743 | 2,492 | 5,286 |
| <u>Adjustments for:-</u> | | | | |
| Depreciation of property, plant and equipment | 161 | 177 | 997 | 925 |
| Property, plant and equipment written off | - | - | 3 | 7 |
| Gain on disposal of property, plant and equipment | - | - | (44) | (19) |
| Allowances for loan losses (net) | 847 | 575 | 4,170 | 1,663 |
| Impairment loss on investments | - | - | 740 | 400 |
| Gain on sale of investments | - | - | (417) | (83) |
| Dividend income | - | (23) | (223) | (414) |
| Staff retirement gratuity | 23 | 23 | 117 | 118 |
| Tax expense | 104 | 145 | 483 | 1,066 |
| | 1,663 | 1,640 | 8,318 | 8,949 |
| <u>Changes in working capital:</u> | | | | |
| Statutory deposit with Monetary Authority of Singapore | 1,234 | (1,193) | 911 | (2,704) |
| Loans and advances | 27,350 | (4,416) | 50,772 | (148,699) |
| Other receivables, deposits and prepayments | 467 | 24 | 2,801 | (2,368) |
| Deposits and savings accounts of customers | (44,734) | (34,209) | (86,107) | 96,604 |
| Trade and other payables | 3,142 | 842 | 3,862 | 1,800 |
| Cash used in operations | (10,878) | (37,312) | (19,443) | (46,418) |
| Taxes paid | - | (4) | (390) | (821) |
| Staff retirement gratuities paid | - | (150) | (186) | (217) |
| Net cash flows used in operating activities | (10,878) | (37,466) | (20,019) | (47,456) |
| Cash flows from investing activities | | | | |
| Dividends received | - | 23 | 223 | 414 |
| Purchase of property, plant and equipment | (13) | (215) | (718) | (782) |
| Proceeds from sale of property, plant and equipment | - | - | 44 | 19 |
| Purchase of investments | (83,138) | (10,984) | (332,602) | (44,159) |
| Proceeds from sale and maturity of investments | 75,625 | 11,300 | 332,811 | 38,323 |
| Net cash flows (used in)/from investing activities | (7,526) | 124 | (242) | (6,185) |
| Cash flows from financing activities | | | | |
| Proceeds from issue of shares | - | - | - | 78,831 |
| Dividends paid | - | - | (3,174) | (3,967) |
| Net cash flows (used in)/from financing activities | - | - | (3,174) | 74,864 |
| Net (decrease)/increase in cash and cash equivalents | (18,404) | (37,342) | (23,435) | 21,223 |
| Cash and cash equivalents at beginning of period | 135,594 | 140,625 | 140,625 | 82,060 |
| Cash and cash equivalents at end of period | 117,190 | 103,283 | 117,190 | 103,283 |

Notes :

*The 3 month period results ended 30 September 2015 are for comparative purposes only and not consolidated in the 12 month period results ended 30 June 2015. The 15 month period results ended 30 September 2015, which is computed by adding the results of the 3 month period ended 30 September 2015 to that of 12 month period ended 30 June 2015, is also presented for comparative purposes.

4(a) Statements of Changes in Equity – Group

| | Share Capital \$'000 | Capital Reserve \$'000 | Statutory Reserve \$'000 | Fair Value Reserve \$'000 | General Reserve \$'000 | Accumulated Profits \$'000 | Total \$'000 |
|-------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------------|---------------------------------|------------------------------|----------------------------------|-----------------|
| The Group | | | | | | | |
| At 1 Jul 2015 | 168,896 | 1,353 | 61,178 | (2,649) | 730 | 19,071 | 248,579 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | - | 1,964 | 1,964 |
| Other comprehensive income: | | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | | |
| Net change in fair value of available-for-sale investments | - | - | - | 2,894 | - | - | 2,894 |
| Net change in fair value of available-for-sale investments reclassified to profit or loss | - | - | - | (417) | - | - | (417) |
| - on disposal | - | - | - | 740 | - | - | 740 |
| - on impairment | - | - | - | (547) | - | - | (547) |
| Tax on items that may be reclassified subsequently to profit or loss | - | - | - | (547) | - | - | (547) |
| Total other comprehensive income | - | - | - | 2,670 | - | - | 2,670 |
| Total comprehensive income for the period | - | - | - | 2,670 | - | 1,964 | 4,634 |
| Transaction with owners, recorded directly in equity | | | | | | | |
| Final dividend paid of 2 cents per share in respect of year 2015 | - | - | - | - | - | (3,174) | (3,174) |
| At 30 Jun 2016 | 168,896 | 1,353 | 61,178 | 21 | 730 | 17,861 | 250,039 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | - | 528 | 528 |
| Other comprehensive income: | | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | | |
| Net change in fair value of available-for-sale investments | - | - | - | 169 | - | - | 169 |
| Net change in fair value of available-for-sale investments reclassified to profit or loss | - | - | - | - | - | - | - |
| - on disposal | - | - | - | - | - | - | - |
| - on impairment | - | - | - | - | - | - | - |
| Tax on items that may be reclassified subsequently to profit or loss | - | - | - | (29) | - | - | (29) |
| Total other comprehensive income | - | - | - | 140 | - | - | 140 |
| Total comprehensive income for the period | - | - | - | 140 | - | 528 | 668 |
| At 30 Sep 2016 | 168,896 | 1,353 | 61,178 | 161 | 730 | 18,389 | 250,707 |

| | Share Capital \$'000 | Capital Reserve \$'000 | Statutory Reserve \$'000 | Fair Value Reserve \$'000 | General Reserve \$'000 | Accumulated Profits \$'000 | Total \$'000 |
|-------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------------|---------------------------------|------------------------------|----------------------------------|-----------------|
| The Group | | | | | | | |
| At 1 Jul 2014 | 90,065 | 1,353 | 58,944 | (1,550) | 730 | 20,729 | 170,271 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | - | 4,543 | 4,543 |
| Other comprehensive income: | | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | | |
| Net change in fair value of available-for-sale investments | - | - | - | (1,641) | - | - | (1,641) |
| Net change in fair value of available-for-sale investments reclassified to profit or loss | | | | | | | |
| - on disposal | - | - | - | (83) | - | - | (83) |
| - on impairment | - | - | - | 400 | - | - | 400 |
| Tax on items that may be reclassified subsequently to profit or loss | - | - | - | 225 | - | - | 225 |
| Total other comprehensive income | - | - | - | (1,099) | - | - | (1,099) |
| Total comprehensive income for the period | - | - | - | (1,099) | - | 4,543 | 3,444 |
| Transfer from profit for the year to statutory reserve | - | - | 2,234 | - | - | (2,234) | - |
| Transaction with owners, recorded directly in equity | | | | | | | |
| Final dividend paid of 5 cents per share in respect of year 2014 | - | - | - | - | - | (3,967) | (3,967) |
| Issue of Rights Shares | 78,831 | - | - | - | - | - | 78,831 |
| At 30 Jun 2015 | 168,896 | 1,353 | 61,178 | (2,649) | 730 | 19,071 | 248,579 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | - | 743 | 743 |
| Other comprehensive income: | | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | | |
| Net change in fair value of available-for-sale investments | - | - | - | (100) | - | - | (100) |
| Net change in fair value of available-for-sale investments reclassified to profit or loss | | | | | | | |
| - on disposal | - | - | - | - | - | - | - |
| - on impairment | - | - | - | - | - | - | - |
| Tax on items that may be reclassified subsequently to profit or loss | - | - | - | 17 | - | - | 17 |
| Total other comprehensive income | - | - | - | (83) | - | - | (83) |
| Total comprehensive income for the period | - | - | - | (83) | - | 743 | 660 |
| At 30 Sep 2015 | 168,896 | 1,353 | 61,178 | (2,732) | 730 | 19,814 | 249,239 |

4(b) Statements of Changes in Equity – Company

| | Share Capital \$'000 | Capital Reserve \$'000 | Statutory Reserve \$'000 | Fair Value Reserve \$'000 | General Reserve \$'000 | Accumulated Profits \$'000 | Total \$'000 |
|-------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------------|---------------------------------|------------------------------|----------------------------------|-----------------|
| <u>The Company</u> | | | | | | | |
| At 1 Jul 2015 | 168,896 | 1,353 | 61,178 | (2,649) | 730 | 17,250 | 246,758 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | - | 1,840 | 1,840 |
| Other comprehensive income: | | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | | |
| Net change in fair value of available-for-sale investments | - | - | - | 2,894 | - | - | 2,894 |
| Net change in fair value of available-for-sale investments reclassified to profit or loss | | | | | | | |
| - on disposal | - | - | - | (417) | - | - | (417) |
| - on impairment | - | - | - | 740 | - | - | 740 |
| Tax on items that may be reclassified subsequently to profit or loss | - | - | - | (547) | - | - | (547) |
| Total other comprehensive income | - | - | - | 2,670 | - | - | 2,670 |
| Total comprehensive income for the period | - | - | - | 2,670 | - | 1,840 | 4,510 |
| Transaction with owners, recorded directly in equity | | | | | | | |
| Final dividend paid of 2 cents per share in respect of year 2015 | - | - | - | - | - | (3,174) | (3,174) |
| At 30 Jun 2016 | 168,896 | 1,353 | 61,178 | 21 | 730 | 15,916 | 248,094 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | - | 504 | 504 |
| Other comprehensive income: | | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | | |
| Net change in fair value of available-for-sale investments | - | - | - | 169 | - | - | 169 |
| Net change in fair value of available-for-sale investments reclassified to profit or loss | | | | | | | |
| - on disposal | - | - | - | - | - | - | - |
| - on impairment | - | - | - | - | - | - | - |
| Tax on items that may be reclassified subsequently to profit or loss | - | - | - | (29) | - | - | (29) |
| Total other comprehensive income | - | - | - | 140 | - | - | 140 |
| Total comprehensive income for the period | - | - | - | 140 | - | 504 | 644 |
| At 30 Sep 2016 | 168,896 | 1,353 | 61,178 | 161 | 730 | 16,420 | 248,738 |

| | Share Capital \$'000 | Capital Reserve \$'000 | Statutory Reserve \$'000 | Fair Value Reserve \$'000 | General Reserve \$'000 | Accumulated Profits \$'000 | Total \$'000 |
|-------------------------------------------------------------------------------------------|----------------------------|------------------------------|--------------------------------|---------------------------------|------------------------------|----------------------------------|-----------------|
| The Company | | | | | | | |
| At 1 Jul 2014 | 90,065 | 1,353 | 58,944 | (1,550) | 730 | 18,984 | 168,526 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | - | 4,467 | 4,467 |
| Other comprehensive income: | | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | | |
| Net change in fair value of available-for-sale investments | - | - | - | (1,641) | - | - | (1,641) |
| Net change in fair value of available-for-sale investments reclassified to profit or loss | | | | | | | |
| - on disposal | - | - | - | (83) | - | - | (83) |
| - on impairment | - | - | - | 400 | - | - | 400 |
| Tax on items that may be reclassified subsequently to profit or loss | - | - | - | 225 | - | - | 225 |
| Total other comprehensive income | - | - | - | (1,099) | - | - | (1,099) |
| Total comprehensive income for the period | - | - | - | (1,099) | - | 4,467 | 3,368 |
| Transfer from profit for the year to statutory reserve | - | - | 2,234 | - | - | (2,234) | - |
| Transaction with owners, recorded directly in equity | | | | | | | |
| Final dividend paid of 5 cents per share in respect of year 2014 | - | - | - | - | - | (3,967) | (3,967) |
| Issue of Rights Shares | 78,831 | - | - | - | - | - | 78,831 |
| At 30 Jun 2015 | 168,896 | 1,353 | 61,178 | (2,649) | 730 | 17,250 | 246,758 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | - | 712 | 712 |
| Other comprehensive income: | | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | | |
| Net change in fair value of available-for-sale investments | - | - | - | (100) | - | - | (100) |
| Net change in fair value of available-for-sale investments reclassified to profit or loss | | | | | | | |
| - on disposal | - | - | - | - | - | - | - |
| - on impairment | - | - | - | - | - | - | - |
| Tax on items that may be reclassified subsequently to profit or loss | - | - | - | 17 | - | - | 17 |
| Total other comprehensive income | - | - | - | (83) | - | - | (83) |
| Total comprehensive income for the period | - | - | - | (83) | - | 712 | 629 |
| At 30 Sep 2015 | 168,896 | 1,353 | 61,178 | (2,732) | 730 | 17,962 | 247,387 |

5. Group's borrowings and debt securities

Nil.

6. 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

Nil.

7. Sales, transfers, disposal, cancellation and / or use of treasury shares as at the end of the financial period

Not applicable. During the financial period, no shares were held as treasury shares.

8. Accounting Policies

For the current financial period, the Group and the Company have adopted all the relevant new or revised Financial Reporting Standards ("FRS") and interpretations ("INT FRS") which came into effect for the Group and the Company from 1 July 2015.

The adoption of these new or revised FRS and INT FRS does not have any material impact on the financial statements of the Group and the Company for the financial period under review.

The accounting policies and methods of computation adopted in the financial statements for the financial period under review are consistent with those applied in the financial statements for the year ended 30 June 2015.

9. Review of the Performance of the Company and its Principal Subsidiaries

The Group's profit from operations before allowances remained unchanged at \$1.5 million for the quarter under review compared to the previous corresponding quarter. Continuous efforts to control operating costs resulted in a decline of \$1.1 million or 23.0% which cushioned the reduction of \$1.1 million or 17.5% drop in total income.

With the decline in interest income and hiring charges by \$0.8 million as well as increase in interest costs by \$0.4 million, net interest income dropped by \$1.2 million or 19.4%. Non-interest income was higher mainly attributed to higher fees and commission income. Total operating expenses were well managed with the decline coming largely from staff costs and other operating expenses.

For the fifteen months ended 30 September 2016, the Group's operating profit before allowances was \$7.9 million, compared to \$8.4 million during the same period last year. Net interest income contracted by \$1.7 million or 5.9% as the rise in interest costs more than offset the growth in interest income. The drop in net interest income was partly cushioned by higher non-interest income particularly fees and commission income and gain on sale of investments as well as lower total operating expenses. Total operating expenses dropped by \$0.5 million or 2.5% with lower staff costs partially offset by higher other operating expenses.

Net allowances for loan losses amounted to \$0.8 million and \$4.2 million for the quarter and fifteen months ended 30 September 2016 respectively. This is a reflection of the prevailing challenging economic conditions and severe headwinds from sluggish global growth. For the same fifteen months last year, there was a net charge for loan allowances of \$1.7 million. The Group continues to set aside adequate specific and collective allowances for the loan portfolio.

No additional provision was made for impairment loss on investments during the quarter as the impaired investments have been disposed during the first quarter of 2016.

The Group registered a profit after tax of \$0.5 million for the quarter and \$2.5 million for the fifteen months ended 30 September 2016. Notwithstanding the weaker fifteen months performance, the Group's shareholders' funds remains strong at \$251 million as at 30 September 2016, and is more than adequate to buffer further volatility in the current economic slowdown. Our capital adequacy ratio continues to be well above the regulatory minimum requirement.

The Group's total loan net of allowances contracted by 5.9% to \$881 million as at 30 September 2016 compared to \$935 million as at 30 June 2015 in the midst of a challenging economic environment. In tandem with the lower loan balance, total customers' deposits declined by 8.8% to \$892 million as at 30 September 2016.

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen which is likely to affect substantially the results of the operations of the Group and the Company in the interval between the end of the financial period and the date of this announcement.

10. Comments on Significant Trends and Competitive Conditions in the Industry

Based on the Ministry of Trade and Industry (MTI)'s advance GDP estimates, the Singapore economy grew by 0.6% on a year-on-year basis in the third quarter of 2016, easing from the 2.0% growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 4.1%, a reversal from the 0.2% growth in the preceding quarter. MTI has narrowed the growth forecast for Singapore's economy in 2016 to between 1.0% and 2.0%, down from the initial range of between 1.0% and 3.0%. The move to lower the upper limit of the forecast took into account a slightly weakened global economy on the back of Britain's vote to exit the EU in June, moderate US expansion path and slowdown in the Chinese economy and their potential fallout on the already modest domestic growth.

In the current continual sluggish domestic economic climate, the Group would be proactive in controlling our operating expenses as well as prudent and vigilant in managing and monitoring the business risk of our loan portfolio.

11.(a) Interim Dividend and Amount Recommended per share

Nil.

11.(b) Interim Dividend Recommended Previous Corresponding Period

Nil.

12. Shareholders' mandate for Interested Party Transactions

The Group has not sought any shareholders' mandate for interested person transactions pursuant to Rule 920 of the SGX-ST Listing Manual.

13. The Company confirms that it has procured the undertakings required under Rule 720(1) from all its directors and executive officers.

14. Other Matters

Nil.

By Order of the Board
Ngiam May Ling
Company Secretary

4 November 2016

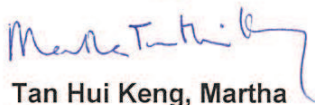
**CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)
OF THE SGX-ST LISTING MANUAL**

We, Teo Chiang Long and Tan Hui Keng, Martha, being two Directors of Singapura Finance Ltd ("the Company"), do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the quarter and fifteen months ended 30 September 2016 financial results to be false or misleading.

On behalf of the Board of Directors



Teo Chiang Long
Director



Tan Hui Keng, Martha
Director

4 November 2016