

SAMKO TIMBER LIMITED

(Company Registration No.: 200517815M)
(Incorporated in the Republic of Singapore)

CORRIGENDUM: UPDATE ANNOUNCEMENT ON SUBSIDIARY'S FINANCIAL STATUS

Further to the announcement (no.00013) released on 15 September 2009 in relation to the above matter (the "**Announcement**"), the Board of Directors of Samko Timber Limited (the "**Company**") wishes to advise that certain information as set out in the Announcement were not in order. The amended information, which is underlined and highlighted in bold, should read as follows:-

Correction 1: Page 2, paragraph 3.1:-

In this connection, Sumalindo has on 15 September 2009 issued a notice (the "**Sumalindo EGM Notice**") to its shareholders to convene a shareholders' meeting (the "**Sumalindo EGM**") to be held on **15 October 2009** to vote on the Proposed Disposal. A copy of the said notice, translated into the English language, is attached to this announcement for information purposes. Please note that, although the management of the Company has used reasonable efforts to ensure the accuracy of the translation, it makes no representation as to the accuracy thereof.

Correction 2: Page 3, at paragraph 3.5:-

As stated in the Sumalindo EGM Notice, the value attributable to the SHJ Shares was based on the nominal value attributable to each SHJ Share as at 30 June 2009 of Rp1,000, taking into account the valuation report issued by Messrs KJPP Benny, Desmar dan Partners. Based on the aforesaid report, each SHJ Share had a fair value of Rp984 as at 30 June 2009. Please refer to the "Summary of Independent Appraisal and Opinion on the Share Divestment" section of the Sumalindo EGM Notice for more details. Accordingly, the excess of the sales proceeds over the value of the SHJ Shares is approximately Rp16 per SHJ Share or approximately US\$0.0016. The net **profit** attributable to the SHJ Shares is **Rp0.6 billion**, based on the unaudited management accounts of SHJ for the three months ended 30 June 2009 ("**2Q2009**").

As stated in the Sumalindo EGM Notice, the outstanding receivables from SHJ to Sumalindo as at 30 June 2009 was Rp140,254,908,652. Based on the valuation report issued by Messrs KJPP Benny, Desmar dan Partners, the fair market value of SHJ's debt to Sumalindo as at 30 June 2009 was Rp137,073,205,845. Accordingly, the excess of the sales proceeds over the value of the SHJ Shares is approximately Rp3,181,702,807 or approximately US\$**0.3** million.

Correction 3: Page 4, at paragraph 3.7:-**3.7 Financial effects of the Proposed Disposal:-***Effect on NTA per share*

The effects of the Proposed Disposal on the consolidated net tangible asset ("**NTA**") per share of the Company as at 31 December 2008, assuming that the Proposed Disposal had been effected at the end of the financial year ended 31 December 2008 ("**FY2008**"), are summarised below:-

As at 31 December 2008	Before the Proposed Disposal	After the Proposed Disposal
NTA	S\$123 million	S\$122 million
NTA per share	13.69 cents	13.58 cents

NTA computation is based on the actual number of shares of 898,162,562 as at 31 December 2008.

Effect on EPS

Assuming that the Proposed Disposal had been effected at the beginning of FY2008 and based on the Company's audited consolidated financial statements for FY2008, the *pro forma* effects on the consolidated earnings per share of the Company are as follows:-

FY2008	Before the Proposed Disposal	After the Proposed Disposal
(Loss)	(S\$127 million)	(S\$127 million)
(Loss) per share	(14.61 cents)	(14.63 cents)

EPS computation is based on the weighted average number of shares of **865,985,506** for FY2008

Correction 4: Page 5 at paragraph 3.8:-

3.8 Chapter 10 of the SGX-ST Listing Manual

The relative figures, computed on the bases set out in Rule 1006 of the Listing Manual, are as follows:-

Rule 1006(a) – the net asset value of the assets to be disposed of, compared with the Group's net asset value (this basis is not applicable to an acquisition of assets).

The net asset value of the SHJ Shares as at 30 June 2009 was Rp11.6 billion which amounts to 0.8% of the Group's net asset value of Rp1,422 billion as at 30 June 2009, based on the unaudited consolidated financial statements of the Group for 2Q2009 and the exchange rate of S\$1:Rp7,055 as at 30 June 2009.

Rule 1006(b) - The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.

The **net profit** attributable to the SHJ Shares for 2Q2009 was **Rp0.6 billion**, compared to the Group's net profit for 2Q2009 on a consolidated basis (before income tax, minority interests and extraordinary items) of approximately Rp118 billion.

Rule 1006(c) - The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.

The aggregate value of the consideration for the Proposed Disposal of US\$14.7 million amounts to 18% of the Company's market capitalisation of approximately S\$117 million as at 4 September 2009¹. The market capitalisation of the Company was derived by multiplying the number of shares in issue of 898,162,562 by the closing price of the shares on the date preceding the date of this Announcement, and based on the exchange rate of S\$1:US\$0.6937.

Rule 1006(d) - The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.

The basis of comparison set out in Rule 1006(d) of the Listing Manual is not applicable where no securities are proposed to be issued as consideration for the Proposed Disposal.

Correction 5: Footnotes 1, 2, 3 and 4:-

The Company has been informed by SHJ that the financial information relating to SHJ, based on the management accounts of SHJ provided to the Company, were in fact prepared in accordance with Singapore Financial Reporting Standards. Accordingly, footnotes 1, 2, 3 and 4 have been deleted.

BY ORDER OF THE BOARD

Aris Sunarko @ Ko Tji Kim
Chief Executive Officer
15 September 2009

Credit Suisse (Singapore) Limited is the Sole Global Coordinator, Bookrunner, Issue Manager and Underwriter for the initial public offering of shares in Samko Timber Limited.