

WTK HOLDINGS BERHAD

(FORMERLY KNOWN AS SAMANDA HOLDINGS BERHAD)

(10141-M) . (Incorporated in Malaysia)

PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMBER 1997

The Board of Directors are pleased to announce the unaudited results of the Company and Group for the year ended 31 December 1997.

	Latest Year to 31.12.1997 (Unaudited)		Previous Year to 31.12.1996 (Audited)		+/- Company	+/- Group
	RM'000 Company	RM'000 Group	RM'000 Company	RM'000 Group		
TURNOVER	11,799	699,985	11,451	203,757	3.04%	243.54%
Operating Profit before Tax	5,298	146,175	3,324	8,353	59.39%	1649.97%
Exceptional Items	-	(9,524)	-	-	-	-100.00%
Share of profits from associated companies	-	1,113	-	6,474	-	-82.81%
Profit before Tax	5,298	137,764	3,324	14,827	59.39%	829.14%
Less Income Tax	(2,716)	(40,268)	(1,940)	(8,415)	40.00%	378.53%
Profit after Tax	2,582	97,496	1,384	6,412	86.56%	1420.52%
Less Minority Interests	-	(125)	-	(260)	-	-51.92%
PROFIT ATTRIBUTABLE TO SHAREHOLDERS	2,582	97,371	1,384	6,152	86.56%	1482.75%

Notes:

- | | | | | |
|---|--------|--------|--------|-------|
| 1. Profit after Tax as a percentage of Turnover | 21.88% | 13.93% | 12.09% | 3.15% |
| 2. Profit attributable to shareholders as a percentage of Shareholders' Funds | 1.59% | 23.83% | 1.23% | 2.81% |
| 3. Net Earnings per share (sen) | 2.36 | 89.14 | 2.30 | 10.23 |
| 4. Net tangible asset backing per ordinary share | 1.49 | 3.63 | 1.86 | 3.44 |

5. REVIEW OF RESULTS

The Company's profits was mainly derived from interest income earned from the proceeds of divestments in associated companies. The acquisition of the eleven (11) timber-based companies enhanced substantially the Group's earnings, with a 95% contribution to Group pre-tax profits.

Exceptional items comprised of provision for diminution in value of investments and properties.

The diminution in value of the Ringgit is not expected to adversely affect the Group. Its Manufacturing division remains competitive in view of the increasing cost of raw materials, while its Timber division is expected to be favourably impacted by the currency diminution as it sources timber locally and exports 75% of its products.

6. The Company completed its acquisition of 11 timber companies during the year of which the results are reflected in the Group's profits under the merger method.
7. There was no profit or loss on sale of investments and properties.
8. There is no rights, bonus and/or other issues of equity shares since the previous dividend was paid except for 49,129,000 ordinary shares of RM 1 each issued during the year as part consideration of the acquisition of the 11 timber companies.

9. CURRENT YEAR PROSPECTS

The Group would continue to enhance and streamline its operations amidst the current regional economic crisis. It has embarked on plans to enhance the value-adding in its existing downstream timber activities, in addition to the Group's continued efforts to increase its presence in the global timber trade with the opening of new markets.

10. DIVIDEND

A first and final dividend of 5% (less tax) has been recommended for the year ended 31 December 1997.

By Order Of The Board

Chua Chiew Moy
Company Secretary

Kuala Lumpur
31 March 1998