



**LIAN BENG GROUP LTD**

**Full Year Financial Statement And Dividend Announcement**

**Full-year financial statements on consolidated results for the year ended 31 May 2008.**

These figures have not been audited.

**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

	The Group		
	12 months ended 31 May 2008 S\$'000	12 months ended 31 May 2007 S\$'000	% Increase /(Decrease)
<b><u>Continuing Operations</u></b>			
Revenue	194,796	138,707	40.4%
Cost of sales	(165,578)	(128,156)	29.2%
<b>Gross profit</b>	29,218	10,551	176.9%
Other operating income	2,091	7,005	-70.1%
Distribution expenses	(183)	(394)	-53.6%
Administrative expenses	(8,341)	(5,726)	45.7%
Other operating expenses	(5,038)	(2,211)	127.9%
Finance costs	(2,329)	(1,512)	54.0%
<b>Profit before tax from continuing operations</b>	15,418	7,713	99.9%
Income tax expense	(3,390)	(664)	410.5%
<b>Profit after tax from continuing operations</b>	12,028	7,049	70.6%
<b><u>Discontinued Operation</u></b>			
Loss for the year from discontinued operation	-	(2,683)	NM*
<b>Profit for the year</b>	12,028	4,366	175.5%
<b>Attributable to:</b>			
Equity holders of the Company	11,893	3,505	239.3%
Minority interests	135	861	-84.3%
	<b>12,028</b>	<b>4,366</b>	175.5%

\*NM: Not Meaningful

## Notes to Income Statements:

	The Group		
	12 months ended 31 May 2008 S\$'000	12 months ended 31 May 2007 S\$'000	% Increase /(Decrease)
Other income including interest income	1,032	1,821	-43.3%
Forgiveness of loan from minority shareholder of a subsidiary	-	2,000	NM*
Write-back of impairment loss on investment properties	370	1,700	-78.2%
Gain on sale of property, plant and equipment	231	926	-75.1%
Gain on sale of investment securities	72	199	-63.8%
Depreciation of property, plant & equipment	(2,423)	(2,153)	12.5%
Over/(under) provision of current taxation in respect of prior years <span style="float: right;">Note 1</span>	394	(200)	NM*
Foreign exchange loss	(1,041)	(232)	348.7%
Allowance for impairment on doubtful receivables	(41)	(10)	310.0%
Write-back/(provision) for impairment loss on other receivable <span style="float: right;">Note 2</span>	293	(515)	NM*

\* NM : Not Meaningful

### Explanatory notes:

- 1 The overprovision of current taxation in respect of prior years was mainly due to the finalisation of tax matters by IRAS of a subsidiary for YA 2003 and YA 2004.
- 2 The write-back for impairment loss on other receivable was due to the fair value adjustment on the amount due from the previous joint venture partner, Manhattan Resources Limited ("MRL").

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

	The Group S\$'000		The Company S\$'000	
	31-May-08	31-May-07	31-May-08	31-May-07
<b><u>Non-current assets</u></b>				
Property, plant and equipment	23,779	16,478	-	-
Investment properties	8,879	8,642	-	-
Investments in subsidiaries	-	-	28,089	27,638
Intangible assets	147	19	-	-
Other receivable	10,835	7,912	2,680	7,912
Investment securities	905	1,190	-	-
	<b>44,545</b>	<b>34,241</b>	<b>30,769</b>	<b>35,550</b>
<b><u>Current assets</u></b>				
Inventories	721	1,571	-	-
Receivables from subsidiaries	-	-	53,422	15,844
Receivables from related parties	13	-	-	-
Properties held for sale	6,154	8,033	-	-
Development properties	108,081	-	-	-
Construction work-in-progress	38,180	31,201	-	-
Trade receivables	56,068	44,034	-	-
Other receivables and deposits	28,212	5,750	6,507	1,233
Prepayments	1,396	1,396	3	59
Amounts due from jointly-controlled entities	19,641	5,834	6	-
Asset held for sale (Note)	-	-	-	-
Investment securities	12	18	-	-
Fixed deposits	2,915	3,097	1,169	1,219
Cash and cash balances	5,323	7,955	351	107
	<b>266,716</b>	<b>108,889</b>	<b>61,458</b>	<b>18,462</b>
<b><u>Current liabilities</u></b>				
Progress billings in excess of construction work-in-progress	(2,402)	(4,101)	-	-
Trade payables and accruals	(44,634)	(43,250)	-	-
Other payables and deposits	(4,063)	(1,716)	(330)	(301)
Amounts due to subsidiaries	-	-	(5,607)	(8,446)
Amounts due to related parties	(17,340)	(25)	-	-
Bank overdrafts	(20,898)	(15,484)	-	-
Bank loans	(19,672)	(11,218)	(1,094)	(1,063)
Bills payable	(3,625)	(1,221)	-	-
Current portion of obligations under hire purchase	(1,695)	(997)	-	-
Provision for taxation	(3,806)	(1,692)	-	-
	<b>(118,135)</b>	<b>(79,704)</b>	<b>(7,031)</b>	<b>(9,810)</b>
<b>Net current assets</b>	<b>148,581</b>	<b>29,185</b>	<b>54,427</b>	<b>8,652</b>
<b><u>Non-current liabilities</u></b>				
Bank loans	(80,325)	(2,910)	-	-
Obligations under hire purchase	(4,244)	(2,104)	-	-
Deferred tax liabilities	(377)	(120)	-	-
	<b>(84,946)</b>	<b>(5,134)</b>	-	-
<b>Net assets</b>	<b>108,180</b>	<b>58,292</b>	<b>85,196</b>	<b>44,202</b>
<b><u>Equity attributable to equity holders of the Company</u></b>				
Share capital	82,275	42,866	82,275	42,866
Foreign currency translation reserve	(11)	(23)	-	-
Fair value adjustment reserve	209	706	-	-
Accumulated profits	25,550	14,657	2,921	1,336
	108,023	58,206	85,196	44,202
Minority interests	157	86	-	-
<b>Total Equity</b>	<b>108,180</b>	<b>58,292</b>	<b>85,196</b>	<b>44,202</b>
	-	-	-	-

NOTE: Relate to 50% interest in jointly-controlled entity ("Lian Beng Energy Pte Ltd")

**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 May 2008**

<b>Secured (S\$)</b>	<b>Unsecured (S\$)</b>
45,890,000	0

**As at 31 May 2007**

<b>Secured (S\$)</b>	<b>Unsecured (S\$)</b>
28,920,000	0

**Amount repayable after one year**

**As at 31 May 2008**

<b>Secured (S\$)</b>	<b>Unsecured (S\$)</b>
84,569,000	0

**As at 31 May 2007**

<b>Secured (S\$)</b>	<b>Unsecured (S\$)</b>
5,014,000	0

**Details of any collateral**

As at 31 May 2008, the Group's borrowings of S\$130.5 million ( 31 May 2007 : S\$33.9 million) are secured by the Group's freehold and leasehold properties, development properties, properties held for sale, plant, machinery, motor vehicles, and fixed deposits.

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

	The Group (S\$'000) 31-May-08	The Group (S\$'000) 31-May-07
<b>Cash flows from operating activities</b>		
Profit before tax from continuing operations	15,418	7,713
Loss before tax from discontinued operation	-	(2,744)
Profit before tax, total	15,418	4,969
<b>Adjustments for:-</b>		
Depreciation of property, plant and equipment	2,423	3,091
Dividend income from investment securities	(24)	(21)
Gain on sale of property, plant and equipment	(231)	(926)
Write-back of impairment loss on investment properties	(370)	(1,700)
Net fair value loss/(gain) on investment securities	6	(11)
Forgiveness of loan from minority shareholder of a subsidiary	-	(2,000)
Negative goodwill	-	(327)
Gain on sale of investment securities	(72)	(199)
Share of loss in jointly controlled entity	2,450	-
(Write back)/provision for impairment loss on other receivable	(293)	515
Interest income	(153)	(143)
Interest expense	2,329	1,700
Exchange translation difference	82	(41)
Allowance for impairment on doubtful receivables	41	10
<b>Operating profit before working capital changes</b>	<b>21,606</b>	<b>4,917</b>
<b>Changes in working capital :-</b>		
Properties held for sale	1,879	12,276
Development properties	(66,081)	-
Construction work-in-progress	(8,678)	(13,805)
Inventories	850	(2,029)
Trade receivables	(12,075)	7,410
Other receivables and deposits	(17,855)	(4,437)
Prepayments	-	(706)
Trade payables, other payables, accruals and bills payable	4,603	6,565
Balances with related parties	(13,818)	(4,065)
<b>Cash flows (used in)/generated from operations</b>	<b>(89,569)</b>	<b>6,126</b>
Income tax paid	(1,082)	(3,718)
Income tax recovered	63	391
<b>Net cash flows (used in)/generated from operating activities</b>	<b>(90,588)</b>	<b>2,799</b>
<b>Cash flows from investing activities</b>		
Interest received	153	143
Dividend income from investment securities	24	21
Purchase of property, plant and equipment	(5,840)	(1,127)
Proceeds from disposal of property, plant and equipment	503	1,703
Additional investments in subsidiaries	-	(201)
Additional investments in investment securities	(341)	-
Amount due from long term other receivable	(8,155)	-
Net cash outflow on acquisition of a subsidiary	(2,017)	-
Disposal of jointly-controlled entity	-	(758)
Proceeds from disposal of investment securities	202	320
Proceed from capital reduction for investment securities	-	13
<b>Net cash flows (used in)/generated from investing activities</b>	<b>(15,471)</b>	<b>114</b>
<b>Cash flows from financing activities</b>		
Interest paid	(2,329)	(1,700)
Repayment of hire purchase creditors	(1,256)	(974)
Proceeds from bank loans	51,023	3,068
Repayment of bank loans	(5,265)	(11,944)
Fixed deposits pledged to bank	(1,120)	(659)
Proceeds from issue of new ordinary shares	40,800	-
Share issue expense	(1,391)	-
Proceeds from capital injection from minority shareholders of subsidiaries	50	-
Loan from previous joint venture partner	-	1,010
Loan from shareholders of a jointly controlled entity	14,568	-
Loan from minority shareholder of a subsidiary company	2,745	-
Dividend paid to a minority shareholder of a subsidiary company	(114)	-
Dividend paid on ordinary shares	(1,000)	(1,000)
<b>Net cash flows generated from/(used in) financing activities</b>	<b>96,711</b>	<b>(12,199)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(9,348)</b>	<b>(9,286)</b>
Cash and cash equivalents at beginning of the year	(6,216)	3,070
<b>Cash and cash equivalents at end of the year *</b>	<b>(15,564)</b>	<b>(6,216)</b>

* Breakdown of cash and cash equivalents at the end of year:	\$'000	\$'000
Cash at bank and in hand	5,323	7,955
Fixed deposits	2,915	3,097
Fixed deposits held as collateral by banks	(2,904)	(1,784)
Bank overdrafts	(20,898)	(15,484)
<b>Total</b>	<b>(15,564)</b>	<b>(6,216)</b>

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 year.

	The Group		The Company	
	S\$'000		S\$'000	
	12 Months ended 31-May-08	12 Months ended 31-May-07	12 Months ended 31-May-08	12 Months ended 31-May-07
<b>Share Capital</b>				
Balance as at beginning of year	42,866	42,866	42,866	42,866
Issue of ordinary shares pursuant to the Placement Exercises	40,800	-	40,800	-
Share issue expense	(1,391)	-	(1,391)	-
<b>Balance as at end of year</b>	<b>82,275</b>	<b>42,866</b>	<b>82,275</b>	<b>42,866</b>
<b>Foreign Currency Translation Reserve</b>				
Balance as at beginning of year	(23)	(184)	-	-
Net effect of exchange differences	12	161	-	-
<b>Balance as at end of year</b>	<b>(11)</b>	<b>(23)</b>	<b>-</b>	<b>-</b>
<b>Fair value Adjustment Reserve</b>				
Balance as at beginning of year	706	52	-	-
Net (loss)/gain on fair value change during the year	(497)	654	-	-
<b>Balance as at end of year</b>	<b>209</b>	<b>706</b>	<b>-</b>	<b>-</b>
<b>Accumulated Profits</b>				
Balance as at beginning of year	14,657	12,152	1,336	1,796
Profit for the year	11,893	3,505	2,585	540
Dividends paid on ordinary shares	(1,000)	(1,000)	(1,000)	(1,000)
<b>Balance as at end of year</b>	<b>25,550</b>	<b>14,657</b>	<b>2,921</b>	<b>1,336</b>
<b>Minority Interests (MI)</b>				
Balance as at beginning of year	86	4	-	-
Share of profit for the year	135	861	-	-
Dividend paid to a minority shareholder	(114)	-	-	-
Acquisition of minority interest in a subsidiary	-	(779)	-	-
Proceeds from capital injection from minority shareholders of subsidiaries	50	-	-	-
<b>Balance as at end of year</b>	<b>157</b>	<b>86</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>108,180</b>	<b>58,292</b>	<b>85,196</b>	<b>44,202</b>
	-	-	-	-

- 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 financial year, the issued share capital was increased as follows:

	No of shares ('000)	Amount (S\$'000)
Issued share capital as at 1 June 2007	454,760	42,866
Issue of ordinary shares pursuant to the Placement Exercises	75,000	39,409
Issued share capital as at 31 May 2008	529,760	82,275

Note:

On 2 October 2007 and 12 December 2007, the Company issued 40 million and 35 million new ordinary shares at S\$0.425 and S\$0.68 per share respectively for cash via two separate Placement Exercises. The newly issued shares rank parri passu in all respects with the then existing issued shares. The increase in share capital of \$39,409,000 is derived after deducting placement expenses of approximately \$1,391,000.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

The total number of issued shares as at 31 May 2008 is 529,760,000 shares (2007 : 454,760,000 shares)

- 1(d)(iv) A statement showing all sales, transfer, disposals, cancellations and/or use of treasury shares as at the end of the current financial period reported on

Not applicable

- 2 Whether the figures have been audited, or 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 or reviewed by the Company's 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

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 compared with those for the audited financial statements for the year ended 31 May 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 has adopted FRS 40, Investment Property, which became operative from 1 June 2007. FRS 40 permits investment properties to be stated at either fair value or cost less accumulated depreciation and accumulated impairment losses. The Group had accounted for these investment properties at cost whereby impairment loss would be recognised only if the carrying value of the properties were more than the market value. Following the adoption of FRS 40, the Group had written back impairment loss on investment properties of \$370,000 to profit and loss since the market values of the investment properties were more than the carrying values.



**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**

<b>Earnings per share from continuing operations attributable to equity holders of the Company (cents per share)</b>	<b>31-May-08</b>	<b>31-May-07</b>
(a) On a basic basis	2.39	1.36
(b) On a fully diluted basis	2.39	1.36

<b>Loss per share from discontinued operation attributable to equity holders of the Company (cents per share)</b>	<b>31-May-08</b>	<b>31-May-07</b>
(a) On a basic basis	-	(0.59)
(b) On a fully diluted basis	-	(0.59)

Earnings per share is calculated based on weighted average of 497,765,000 ordinary shares (2007: 454,760,000 shares)

**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 period reported on and (b) immediately preceding financial year**

	<b>Group</b>		<b>Company</b>	
	<b>31-May-08</b>	<b>31-May-07</b>	<b>31-May-08</b>	<b>31-May-07</b>
Net asset value per ordinary share based on issued share capital at the end of the year reported on (cents)	20.39	12.80	16.08	9.72

The above were computed based on 529,760,000 ordinary shares in issue at the end of the current financial year and 454,760,000 ordinary shares at the end of the corresponding financial year.

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

## A) Income Statements

### Revenue

The Group recorded a total revenue of \$194.8 million for the financial year ended 31 May 2008 ("FY2008"), an increase of 40.4% compared with \$138.7 million achieved for the financial year ended 31 May 2007 ("FY2007"). The construction division continued to be the key driver, contributing about 98.7% to the Group's revenue. The remaining 1.3% was contributed by the Group's engineering and leasing of construction machinery, and property development divisions. The increase in the construction revenue was attributed to increased activity during the financial year, as well as higher revenue recognition from progressive completion of construction projects.

### Gross profit

Gross profit grew 176.9% to \$29.2 million, from \$10.6 million in FY2007. This was mainly due to the growth in demand for construction services. Accordingly, gross profit margin improved to 15.0% for FY2008, compared to 7.6% the year before.

### Other operating income

Other operating income decreased by 70.1% from \$7.0m to \$2.1m. This was mainly due to a decrease in write-back for the provision of impairment losses on investment properties as well as there was no forgiveness of loan from minority shareholder in current year as compared to FY2007.

### Operating expenses

The Group's administrative expenses increased by 45.7% to \$8.3 million for FY2008 as compared to \$5.7 million in FY2007. The increase was due mainly to an increase in overall staff cost. The increase in other operating expenses to \$5.0 million for FY2008 as compared to \$2.2 million in FY2007 was due mainly to foreign exchange losses resulting from depreciation of US\$ currency as well as adjustment of profit recognised in previous year for the Group's project in the Maldives. Finance costs increased by 54.0% to \$2.3 million for FY 2008 as compared to \$1.5 million in FY2007, due mainly to an increase in financing required for the growing construction business.

### Profit before tax from continuing operations

The Group's pre-tax profit rose 99.9% to \$15.4 million as compared to \$7.7 million in FY2007. The pre-tax profit of \$15.4 million was mainly contributed from the construction division.

### Income tax expense

The Group incurred income tax of \$3.4m for FY2008, compared to \$0.7m for the last financial year, mainly due to higher profit in the current financial year, offset by overprovision of income tax of \$0.4 million.

### Profit after tax

In consideration of the above, the Group registered a 175.5% increase in net profit to \$12.0 million for FY2008, versus \$4.4 million for FY2007.

## **B) Balance Sheet Statements**

### **Property, Plant & Equipment**

The increase in this item from \$16.5m to \$23.8m was mainly due to purchase of \$9.9m of plant and equipment during the financial year.

### **Long term other receivable**

The increase in this item from \$7.9m to \$10.8m was due mainly to amount of \$8.2m due from its 10% owned property development entity to finance the development project at Emerald Hill offset by the reclassification of amount of \$5.2m due from MRL to short term other receivable.

### **Trade Receivables**

The increase in this item from \$44.0m to \$56.1m was in line with the increase in Group's revenue.

### **Properties Held for Sale**

The decrease in this item from \$8.0m to \$6.2m was due to sale of properties under the Group's property development division.

### **Development properties**

The increase in this item of \$108.1 million was due to the expansion of the Group's property development business through its wholly owned property development project, OLA Residences at Mountbatten Road and through its 25% owned joint venture property development project, Lincoln Lodge off Newton Road.

### **Amounts due from jointly-controlled entities**

The increase in this item from \$5.8m to \$19.6m was due mainly to amount of \$14.6m due from its 25% owned jointly controlled property development entity to finance the development project at Lincoln Lodge off Newton Road.

### **Other receivables and deposits**

The increase in this item from \$5.8m to \$28.2m was due mainly to the deposit of \$2.6m for the proposed acquisition of shares in Tee Development Pte Ltd and the amount of \$16.3m due from Centurion Kovan Pte Ltd (formerly known as Duke Development Pte Ltd) for the finance of the property development project at Simon Road as well as amount of \$6.6m due from MRL.

### **Amounts due to related parties**

The increase in this item of \$17.3m was due mainly to the amount of \$2.7m due by the Group to the minority shareholder of a subsidiary to finance the property development project at Emerald Hill Road and amount of \$14.6m due to joint venture partners for the finance of the property development project at Lincoln Lodge off Newton Road.

### **Total borrowings**

The increase in total borrowings from \$33.9m to \$130.5m was due mainly to the increase in finance for the expansion of the property development business and construction business.

## **C) Cash flow Statements**

Net cash flows used in operating activities increased mainly due to an increase in other receivables and deposits, balances with related parties and investment in development properties resulting from the expansion of the Group's property development business.

The increase in net cash flows used in investing activities is attributable to the Group's investment in plant and machinery and in property development business.

The increase in net cash flows generated from financing activities was due to the issuance of new shares and to bank loan secured to finance the expansion of the property development business.

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

No forecast or prospective statement has been issued previously.

**10 A 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**

The construction sector is estimated to have grown by 15.2% in Q2 2008. This follows 16.9% expansion in Q1 2008 (MTI, 10 July 2008). For 2008, construction demand is estimated to reach S\$23.0 to S\$27.0 billion, compared to \$24.5 billion in 2007 (BCA, 30 January 2008). Residential property prices rose 0.4% in Q2 2008, compared with the 4.8% increase recorded in Q1 2008 (URA, 2 July 2008). In the light of above, the Group expects the outlook of the construction sector to remain positive.

With the increase in construction demand, good contribution from the Construction Division is likely to continue and the Group is expected to be busy with construction activities in FY2009. In addition, the Group will continue to maintain its competitiveness through prudent and stringent project cost management and continue to strengthen strategic alliances with the business partners. To date, the Group's outstanding order book stands at approximately \$647 million.

The Group discontinued its overburden operations in FY2007 and has accounted for it under FRS105 Non-current asset held for sale and discontinued operations. According to the Sale and Purchase Agreement dated 27 July 2007 between the Company and the buyer MRL, MRL had agreed to pay the total shareholder's loan of \$9,654,479.94 in 8 instalments upon the the acquisition of the 50% interest in Lian Beng Energy Pte Ltd("LBE") from the Company subject to the approval of MRL's shareholders. The Group is still pursuing MRL to fulfil the terms and conditions of the agreement faithfully. To date, MRL had paid the first instalment of S\$254,479.94 of the shareholder's loan.

## 11 Dividend

### (a) Current Financial Period Reported On

#### Any dividend recommended for the current financial period reported on?

Yes.

Name of Dividend	:	First & Final
Dividend Type	:	Cash
Dividend Amount per share (in cents)	:	0.472 cents per ordinary share
Tax Rate	:	Tax exempt (1-Tier)

### (b) Corresponding Period of the Immediately Preceding Financial Year

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

Yes.

Name of Dividend	:	<b>First &amp; Final</b>
Dividend Type	:	Cash
Dividend Amount per share ( in cents )	:	0.22 cents
Tax Rate	:	18% & tax exempt (1-Tier)

### (c) Date payable

The first and final dividend, if approved at the Annual General Meeting to be held on 25 September 2008, will be paid on 16 October 2008.

### (d) Books closure date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 7 October 2008 for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, M & C Services Private Limited at 138 Robinson Road, #17-00 The Corporate Office, Singapore 068906 up to 5.00 p.m. on 6 October 2008 will be registered to determine shareholders' entitlements to such dividend.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 6 October 2008 will be entitled to the proposed dividend.

## 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 part is not applicable to Q1, Q2, Q3 or Half Year Results)**

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

**(a) By Business Segments**  
**(Figures in \$'000)**

2008						
	Construction	Engineering & Leasing of Construction Machinery	Property Development	Investment Holding	Elimination	Group
<b>Revenue</b>						
Revenue from external customers	191,553	596	2,638	9	-	194,796
Inter-segment revenue	664	7,119	-	3,085	(10,868)	-
<b>Total revenue</b>	<b>192,217</b>	<b>7,715</b>	<b>2,638</b>	<b>3,094</b>	<b>(10,868)</b>	<b>194,796</b>
<b>Profit/(Loss) from operations before depreciation</b>	<b>19,367</b>	<b>1,332</b>	<b>256</b>	<b>(291)</b>	<b>(702)</b>	<b>19,962</b>
Depreciation	(2,045)	(484)	(18)	(3)	127	(2,423)
<b>Profit/(Loss) from operations after depreciation</b>	<b>17,322</b>	<b>848</b>	<b>238</b>	<b>(294)</b>	<b>(575)</b>	<b>17,539</b>
Finance costs	(1,772)	(66)	(245)	(246)	-	(2,329)
<b>Profit/(Loss) from ordinary activities</b>	<b>15,550</b>	<b>782</b>	<b>(7)</b>	<b>(540)</b>	<b>(575)</b>	<b>15,210</b>
Unallocated interest and investment income						208
<b>Profit before tax</b>						<b>15,418</b>
Income tax expense						(3,390)
<b>Profit for the year</b>						<b>12,028</b>
<b>Assets and Liabilities</b>						
Segment assets	154,737	11,901	137,009	88,645	(84,863)	307,429
Unallocated assets						3,832
<b>Total assets</b>						<b>311,261</b>
Segment liabilities	104,353	7,030	131,020	5,906	(51,504)	196,805
Unallocated liabilities						6,276
<b>Total liabilities</b>						<b>203,081</b>
Capital expenditure	9,221	1,289	106	3	(685)	9,934
Other non-cash expenses	2,485	6	-	(293)	-	2,198

2007						
	Construction	Engineering & Leasing of Construction Machinery	Property Development	Investment Holding	Elimination	Group
<b>Revenue</b>						
Revenue from external customers	124,454	1,245	12,998	10	-	138,707
Inter-segment revenue	77	5,431	-	4,425	(9,933)	-
<b>Total revenue</b>	<b>124,531</b>	<b>6,676</b>	<b>12,998</b>	<b>4,435</b>	<b>(9,933)</b>	<b>138,707</b>
<b>Profit/(Loss) from operations before depreciation</b>						
	<b>8,184</b>	<b>1,094</b>	<b>2,248</b>	<b>(875)</b>	<b>370</b>	<b>11,021</b>
Depreciation	(1,514)	(664)	-	(3)	28	(2,153)
<b>Profit/(Loss) from operations after depreciation</b>						
	<b>6,670</b>	<b>430</b>	<b>2,248</b>	<b>(878)</b>	<b>398</b>	<b>8,868</b>
Finance costs	(823)	(25)	(445)	(219)	-	(1,512)
<b>Profit/(Loss) from ordinary activities</b>						
	<b>5,847</b>	<b>405</b>	<b>1,803</b>	<b>(1,097)</b>	<b>398</b>	<b>7,356</b>
Unallocated interest and investment income						357
<b>Profit before tax</b>						
						7,713
Income tax expense						(664)
<b>Profit for the year from continuing operations</b>						
						7,049
Loss from discontinued operation						(2,683)
<b>Profit for the year</b>						
						<b>4,366</b>
<b>Assets and Liabilities</b>						
Segment assets	121,590	10,166	17,405	47,370	(57,706)	138,825
Unallocated assets						4,305
Total assets						<b>143,130</b>
Segment liabilities	83,765	5,947	17,011	5,041	(30,801)	80,963
Unallocated liabilities						3,875
Total liabilities						<b>84,838</b>
Capital expenditure	1,235	331	-	-	91	1,657
Other non-cash expenses	10	-	-	515	-	525

(b) **By Geographical Segments (Figures in S\$ '000)**

<b>FY2008</b>	<b>Singapore</b>	<b>Indonesia</b>	<b>Maldives</b>	<b>Elimination</b>	<b>Total</b>
Revenue from external customers	186,735	-	8,272	(211)	194,796
Other segment information:					
Segment assets	309,366	-	3,291	(5,228)	307,429
Unallocated assets	-	-	-	-	3,832
Total assets					311,261
Capital expenditure	9,891	-	70	(27)	9,934

<b>FY2007</b>	<b>Singapore</b>	<b>Indonesia</b>	<b>Maldives</b>	<b>Elimination</b>	<b>Total</b>
Revenue from external customers	130,685	9,852	8,153	(131)	148,559
Less: Revenue attributable to discontinued operation	-	(9,852)	-	-	(9,852)
Revenue from continuing operations	130,685	-	8,153	(131)	138,707
Other segment information:					
Segment assets	137,676	-	7,275	(6,126)	138,825
Unallocated assets					4,305
Total assets					143,130
Capital expenditure	1,189	-	423	45	1,657

**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**

Please refer to items 8 and 13.

**15 A breakdown of sales**

	<b>Group</b>		<b>Increase / (Decrease)</b>
	<b>31-May-08</b>	<b>31-May-07</b>	<b>%</b>
	<b>\$'000</b>	<b>\$'000</b>	
Sales reported for first half year	106,292	86,336	23.1%
Operating profit after tax and before deducting minority interests reported for first half year	8,133	2,110	285.5%
Sales reported for second half year	88,504	52,371	69.0%
Operating profit after tax and before deducting minority interests reported for second half year	3,895	2,256	72.7%



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

<b>Total annual dividend proposed</b>	<b>Latest Full Year (S\$'000)</b>	<b>Previous Full Year (S\$'000)</b>
Ordinary Shares*	2,500	1,000
Preference Shares	-	-
<b>Total</b>	<b>2,500</b>	<b>1,000</b>

\* Please refer to item 11(a)

**BY ORDER OF THE BOARD**

Ong Pang Aik

Chairman and Group Managing Director

July 28, 2008