BENG KUANG MARINE LIMITED

Registration No. 199400196M

Unaudited Financial Statement and Dividend Announcement for the year ended 31 December 2008

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.

		GROUP			GROUP		
	Notes	4th Qtr of 2008 S$'000	4th Qtr of 2007 S$'000	Increase / (Decrease) %	FY 2008 S$'000	FY 2007 (restated) S$'000	Increase / (Decrease) %
Revenue		**31,279**	**24,604**	**27%**	**131,457**	**95,687**	**37%**
Cost of sales		(24,236)	(15,717)	54%	(101,163)	(69,745)	45%
Gross profit		**7,043**	**8,887**	**(21%)**	**30,294**	**25,942**	**17%**
Other operating income / (expenses), net	(A)	360	(29)	NM	928	136	582%
Administrative expenses		(4,691)	(4,530)	4%	(15,871)	(13,548)	17%
Selling & distribution expenses		(745)	(695)	7%	(2,852)	(2,533)	13%
Profit from operations		**1,967**	**3,633**	**(46%)**	**12,499**	**9,997**	**25%**
Financial income		3	10	(70%)	30	62	(52%)
Financial expenses		(355)	(243)	46%	(1,237)	(890)	39%
Non operating income	(B)	-	-	NM	-	1,162	NM
Share of results of associates, net of tax		(150)	(151)	(1%)	(426)	(183)	133%
Profit before taxation	(C)	**1,465**	**3,249**	**(55%)**	**10,866**	**10,148**	**7%**
Taxation		(59)	(963)	**(94%)**	(2,513)	(2,417)	**4%**
Profit after taxation		**1,406**	**2,286**	**(38%)**	**8,353**	**7,731**	**8%**
Attributable to :							
Equity holders of the Company		**1,364**	**2,311**	**(41%)**	**8,239**	**6,059**	**36%**
Minority Interests		42	(25)	**NM**	114	1,672	**NM**
		1,406	**2,286**	**(38%)**	**8,353**	**7,731**	**8%**

NM - Not meaningful

Notes

(A) The Group's other operating income / (expenses), net includes:

	GROUP		GROUP	
	4th Qtr of 2008 S$'000	4th Qtr of 2007 S$'000	FY 2008 S$'000	FY 2007 (restated) S$'000
(Loss) / gain on disposal of fixed assets	(145)	(1)	(59)	214
Fixed assets written off	(151)	(48)	(156)	(73)
Foreign exchange gain / (loss)	482	(142)	493	(290)
Other Income	174	162	650	285
	360	(29)	928	136

(B) The Group's non operating income comprises:

Gain on deemed disposal of subsidiary	-	-	-	1,162 [(2)]

(C) The Group's profit from operations is arrived at after crediting / (charging)

Interest income	3	10	30	62
Interest expense on borrowings	(350)	(233)	(1,187)	(861)
Depreciation of fixed assets	(1,375)	(846)	(4,518)	(2,655)
Amortisation of intangible asset	(12)	-	(12)	-
Write-back of allowance for doubtful debts	3	12	43	134
Allowance for doubtful debts	(712)	(206)	(1,017)	(454)
Allowance for stock obsolescence	(267)	(40)	(267)	(40)

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.

	GROUP		COMPANY	
	31-Dec-08	31-Dec-07 (restated)	31-Dec-08	31-Dec-07
	S$'000	S$'000	S$'000	S$'000
Non-current assets				
Fixed assets	30,753	20,352 [2]	1,137	853
Intangible assets	2,724	2,736	-	-
Subsidiaries	-	-	8,981	8,498
Associates	4,191	4,617 [2]	-	-
Due from subsidiaries (non-trade)	-	-	236	185
Current assets				
Stocks	15,053	10,902	-	-
Work-in-progress in excess of progress billings	9,651	8,310	3,255	2,432
Trade debtors	22,613	18,336 [1]	-	3
Other debtors	7,121	1,741	550	233
Prepayment	864	859	4	7
Due from subsidiaries (trade)	-	-	2,867	2,424
Due from subsidiaries (non trade)	-	-	35,412	27,031
Due from related parties (trade)	20,356	11,993 [1]	6,797	1,566
Due from related parties (non trade)	10	86	-	-
Due from associates (trade)	20	6	-	-
Fixed deposits	863	3,500	-	-
Cash and bank balances	14,283	7,033	2,113	94
	90,834	**62,766**	**50,998**	**33,790**
Current liabilities				
Trade creditors	17,422	10,545 [1]	24	40
Bills payable to banks	6,169	7,605	781	1,954
Other creditors and accruals	21,837	11,981	4,835	3,405
Due to subsidiaries (trade)	-	-	6,054	935
Due to subsidiaries (non-trade)	-	-	44	39
Due to related parties (trade)	765	338 [1]	115	83
Due to related parties (non trade)	276	1,960	-	-
Provision for income tax	3,077	2,322	171	155
Lease obligations (current portion)	2,322	1,225	51	23
Bank overdrafts	866	1,931	-	1,325
Short-term bank loans	31,445	14,942	30,005	14,942
	84,179	**52,849**	**42,080**	**22,901**
Net current assets	**6,655**	**9,917**	**8,918**	**10,889**

	GROUP		COMPANY	
	31-Dec-08	31-Dec-07 (restated)	31-Dec-08	31-Dec-07
	S$'000	S$'000	S$'000	S$'000
Non-current liabilities				
Lease obligations (non-current portion)	2,439	1,497	131	53
Deferred taxation	825	782 [(2)]	83	79
	3,264	2,279	214	132
Net assets	**41,059**	**35,343**	**19,058**	**20,293**
Share capital and reserves				
Share capital	16,111	16,111	16,111	16,111
Revenue reserves	21,057	15,511	2,947	4,182
Translation reserves	(20)	(6)	-	-
	37,148	31,616	19,058	20,293
Minority interests	3,911	3,727	-	-
Total equity	**41,059**	**35,343**	**19,058**	**20,293**

[(1)] Comparative figures have been re-stated to classify Dubai Drydocks World LLC and its subsidiaries as related parties.

[(2)] In the previous FY2007, the Group acquired a 51% interest in Water & Environmental Technologies (WET) Pte Ltd ("WET"). The allocation of the purchase price to the identifiable assets and liabilities acquired in the business combination was not completed for the financial year ended 31 December 2007. Provisional goodwill that resulted from the difference between the purchase price and the carrying amount of assets and liabilities acquired was approximately S$3,293,000. The allocation of the purchase price to the identifiable assets and liabilities has been completed in the current FY2008 and the resulting goodwill is approximately S$2,269,000.

On 9 July 2007, WET disposed 25,045 ordinary shares in the capital of NewEarth Pte Ltd ("NewEarth"). Further on that same day, NewEarth issued and alloted 225,390 new ordinary shares to a third party. These transactions resulted in a combined decrease in equity interest held by WET from 100% to 40% in NewEarth. The gain on deemed disposal in previous year was approximately $1,926,000. The allocation of the purchase price to the identifiable assets and liabilities has been completed in the current financial year and the revised gain on deemed disposal is approximately S$1,162,000.

The 2007 comparative information has been restated accordingly to reflect this adjustment.

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-Dec-08		As at 31-Dec-07	
	S$'000		S$'000	
	Secured	Unsecured	Secured	Unsecured
Bank borrowings	-	38,480	-	24,478
Lease obligations	2,322	-	1,225	-

Amount repayable after one year

	As at 31-Dec-08		As at 31-Dec-07	
	S$'000		S$'000	
	Secured	Unsecured	Secured	Unsecured
Lease obligations	2,439	-	1,497	-

Details of any collateral

- Lease obligations are secured by the underlying assets acquired.

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	
	FY 2008	FY 2007 (restated)
	S$'000	S$'000
Cash flows from operating activities		
Profit before taxation	10,866	10,148
Adjustments for:		
Allowance for doubtful debts	1,017	454
Write-back of allowance for doubtful debts	(43)	(134)
Loss / (gain) on disposal of fixed assets	59	(214)
Fixed assets written off	156	73
Depreciation of fixed assets	4,518	2,655
Amortisation of intangible asset	12	-
Allowance for stock obsolescence	267	40
Stock written off directly to profit and loss account	-	94
Share of results of associate	426	183
Gain on disposal of subsidiary	-	(1,162)
Interest income	(30)	(62)
Interest expenses	1,187	861
Operating profit before working capital changes	**18,435**	**12,936**
(Increase) / decrease in:		
Stocks	(4,418)	(2,379)
Work-in-progress in excess of progress billings	(1,341)	(2,818)
Trade debtors	(5,251)	(1,246)
Other debtors	(5,380)	(939)
Prepayments	(5)	(404)
Due from related parties, net	(8,287)	(6,144)
Due from associates, net	(14)	294
Increase / (decrease) in:		
Trade creditors	6,877	1,980
Other creditors and accruals	9,856	4,275
Due to related parties, net	(1,257)	1,981
Net cash generated from operations	**9,215**	**7,536**
Interest received	30	62
Interest paid	(1,024)	(860)
Income taxes paid	(1,715)	(1,238)
Net cash generated from operating activities	**6,506**	**5,500**

	GROUP	
	FY 2008	FY 2007 (restated)
	S$'000	S$'000
Cash flows from investing activities		
Proceeds from disposal of fixed assets	2,309	511
Purchase of fixed assets	(13,618)	(11,166)
Proceeds from minority shareholder of subsidiary	80	-
Proceeds from disposal of subsidiary, net	-	868
Net cash outflow on acquisition of minority interest's share in subsidiary	-	(255)
Investment in associates	-	(368)
Net cash outflow from acquisition of subsidiary	-	(5,455)
Net cash used in investing activities	**(11,229)**	**(15,865)**
Cash flows from financing activities		
Repayment of finance lease liabilities	(1,793)	(1,386)
Increase / (decrease) in bills payable to banks	(1,436)	1,990
Proceeds from short-term bank loans	18,340	7,800
Repayment of short-term bank loans	(2,000)	(2,895)
Dividends paid to shareholders	(2,693)	(1,157)
Dividends paid to minority interest	(10)	(29)
Proceeds from issuance of new shares	-	4,560
Net cash generated from financing activities	**10,408**	**8,883**
Net effect of exchange rate changes in consolidating subsidiaries	(7)	(2)
Net increase / (decrease) in cash and cash equivalents	**5,678**	**(1,484)**
Cash and cash equivalents at beginning of the year	**8,602**	**10,086**
Cash and cash equivalents at end of the year	**14,280**	**8,602**

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.

	Attributable to equity holders of the Company					
	Share Capital	Revenue Reserve	Translation Reserves	Total Reserves	Minority Interests	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
GROUP						
Balance as at 1 January 2007	11,551	10,386	(4)	10,382	1,106	23,039
Currency translation differences representing net gains and losses not recognised in statement of profit and loss.	-	-	(2)	(2)	-	(2)
Issuance of new shares	4,560	-	-	-	-	4,560
Acquisition of minority interest	-	-	-	-	(479)	(479)
Negative goodwill realised to revenue reserve upon acquisition of minority interest	-	223	-	223	-	223
Acqusition of subsidiary	-	-	-	-	1,479 (2)	1,479
Disposal of subsidiary	-	-	-	-	(22)	(22)
Dividends paid to shareholders	-	(1,157)	-	(1,157)	-	(1,157)
Dividends paid to minority interest	-	-	-	-	(29)	(29)
Profit for the year	-	6,059 (2)	-	6,059	1,672 (2)	7,731
Balance as at 31 December 2007	**16,111**	**15,511**	**(6)**	**15,505**	**3,727**	**35,343**
Balance as at 1 January 2008	16,111	15,511	(6)	15,505	3,727	35,343
Currency translation differences representing net gains and losses not recognised in statement of profit and loss	-	-	(14)	(14)	-	(14)
Issuance of new shares to minority interest	-	-	-	-	80	80
Dividends paid to shareholders	-	(2,693)	-	(2,693)	(10)	(2,703)
Profit for the year	-	8,239	-	8,239	114	8,353
Balance as at 31 December 2008	**16,111**	**21,057**	**(20)**	**21,037**	**3,911**	**41,059**
COMPANY						
Balance as at 1 January 2007	11,551	2,907	-	2,907	-	14,458
Dividends paid to shareholders	-	(1,157)	-	(1,157)	-	(1,157)
Issuance of new shares	4,560	-	-	-	-	4,560
Profit for the year	-	2,432	-	2,432	-	2,432
Balance as at 31 December 2007	**16,111**	**4,182**	**-**	**4,182**	**-**	**20,293**
Balance as at 1 January 2008	16,111	4,182	-	4,182	-	20,293
Dividends paid to shareholders	-	(2,693)	-	(2,693)	-	(2,693)
Profit for the year	-	1,458	-	1,458	-	1,458
Balance as at 31 December 2008	**16,111**	**2,947**	**-**	**2,947**	**-**	**19,058**

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 well as the number of shares held as treasury, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.

None.

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 immediate preceding year.

	As at 31-Dec-08	As at 31-Dec-07
	No. of shares	No. of shares
Issued and fully paid	384,710,625	384,710,625

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the current financial period reported on.

None.

2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

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 annual financial statements have been applied.

The group has applied consistent accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the financial year ended 31 December 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.

Not applicable.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per ordinary share for the period base on net profit attributable to shareholders (in cents):	Group	
	FY 2008	FY 2007
a) Based on weighted average number of ordinary shares on issue; and	2.14	4.17
Weighted no.of shares in issue	384,710,625	145,224,046
b) On a fully diluted basis	N/A	N/A

N/A - not applicable

7 **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.**

	GROUP		COMPANY	
	31-Dec-08	31-Dec-07	31-Dec-08	31-Dec-07
Net asset value per ordinary share based on issued share capital at end of the period/year (in cents)	9.66	8.22	4.95	5.27

31-Dec-08

The net asset value per ordinary share is calculated using the Group's net asset value as at the end of the period of S$37.15 million and the Company's net asset value as at the end of the period of S$19.06 million divided by the share capital of 384,710,625 ordinary shares.

31-Dec-07

The net asset value per ordinary share is calculated using the Group's net asset value as at the end of the period of S$31.62 million and the Company's net asset value as at the end of the period of S$20.29 million divided by the share capital of 384,710,625 ordinary shares.

8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

(a) 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; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

INCOME STATEMENT REVIEW

4th Quarter of FY 2008

	4th Quarter results			
Group Turnover	**FY 2008**	**FY 2007**	**+ / (-)**	**+ / (-)**
	S$'million	**S$'million**	**S$'million**	**%**
Corrosion Prevention ("CP")	**14.54**	**13.65**	**0.89**	**6.5**
Infrastructure & Engineering ("IE")	**10.45**	**4.11**	**6.34**	**154.3**
Supply & Distribution ("SD")	**6.22**	**6.84**	**(0.62)**	**(9.1)**
Environment & Resource ("ER")	**0.07**	**-**	**0.07**	**NM**
	31.28	**24.60**	**6.68**	**27.2**

The Group's turnover for 4Q2008 increased by 27.2% from S$24.60 million to S$31.28 million. The increase of S$6.68 million was largely contributed by IE division of S$6.34 million and S$0.89 million from CP division.

The CP division managed to achieve a higher revenue of S$14.54 million, an increase of S$0.89 million as compared to 4Q2007.

Turnover from our IE division registered an increase of S$6.34 million from S$4.11 million in 4Q2007 to S$10.45 million in 4Q2008. The growth was attributed to higher revenue generated from various offshore projects from our subsidiary in Malaysia as well as the accomodation modules and piping projects in the Batam fabrication yard.

The Group achieved a net profit attributable to shareholders of S$1.36 million for 4Q2008 a drop of 41% compared to 4Q2007 with net profit of S$2.31 million.

The reduction of the profit was largely due to:-

(a) relocating equipment from Tanjung Uncang rented yard to our new fabrication yard in Kabil in Batam during 4Q2008. This temporarily disrupted part of the on-going operations and incurred additional costs in manpower and transportation.

(b) higher provision for stock obsolescence of approximately S$227,000 in 4Q2008.

(c) higher provision for doubtful debts of approximately S$506,000 in 4Q2008.

FY 2008

	Full Year results			
Group Turnover	**FY 2008**	**FY 2007**	**+ / (-)**	**+ / (-)**
	S$'million	**S$'million**	**S$'million**	**%**
Corrosion Prevention ("CP")	**64.24**	**38.92**	**25.32**	**65.1**
Infrastructure & Engineering ("IE")	**39.84**	**28.55**	**11.29**	**39.5**
Supply & Distribution ("SD")	**27.31**	**28.21**	**(0.90)**	**(3.2)**
Environment & Resource ("ER")	**0.07**	**-**	**0.07**	**NM**
	131.46	**95.68**	**35.78**	**37.4**

The Group's turnover for the year ended 31 December 2008 registered a 37.4% growth to S$131.46 million from S$95.68 million in the previous corresponding year. The increase in the Group's turnover was largely attributable to the strong performance of CP division, the latter supported by the order books in shipbuilding, ship repair and rig building activities in the various Singapore and Batam Shipyards.

For FY2008, the IE division has achieved growth rate of 39.5% and this was largely fueled by the activities related to the oil and gas sector and new contracts secured from repeat and new customers during the year.

The Group's net profits attributable to shareholders increased by 36% to S$8.24 million for the year ended 31 December 2008 as compared to S$6.06 million for the previous corresponding year. The improved bottom line performance is in line with the increase in revenue for the year.

BALANCE SHEET REVIEW

The increase in fixed assets by S$10.40 million from S$20.35 million in FY2007 to S$30.75 in FY2008 was incurred mainly due to development of the new fabrication yard in Batam.

The increase in inventories during the year was to facilitate internal CP and IE division's businesses.

The Group's trade and related parties debtors increased in line with the increase in revenue for FY2008. Similarly, the trade creditors, accruals and other creditors also increased in tandem.

Other debtors increased by S$5.38 million from S$1.74 million in FY2007 to S$7.12 million in FY2008. The increase was mainly due to downpayment made to subcontractors and suppliers to commence work on the offshore projects.

CASHFLOW STATEMENT

The Group has improved its operating cashflow by S$1.68 million from S$7.54 million in FY2007 to S$9.22 million. This was attributed to improved operating profits and management's efforts in the second half of the year to improve debt collection.

The capital expenditures of S$13.62 million was largely due to the developmental activities in the new Batam yard and new equipment added in FY2008.

During the year, the Group drew down approximately S$16.34 million of short-term bank loans to finance the development of the fabrication yard in Batam, purchase of new equipment and additional working capital to cater for the increase in business operations. Cash outflow in FY2008 included S$2.69 million of dividends paid in May 2008.

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

The results for the FY2008 is in line with the prospect statement as disclosed in the FY2007 full-year result announcement.

10 A commentary at the date of the announcement of the significant trends and 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 current global economic downturn has impacted the marine oil and gas industry. Under the current economic environment, the Group expects the outlook for the next 12 months to be challenging. The Group will stay focused on its current core business, adopt a prudent approach on managing expenses while actively pursuing business opportunities for its new fabrication yard in Batam.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes.

Name of Dividend:	First & Final	
Dividend Type:	Cash	
Dividend Rate (Gross):	0.50	cents
Tax Rate:	Tax Exempt One-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:	First & Final	
Dividend Type:	Cash	
Dividend Rate (Gross):	0.70	cents
Tax Rate:	Tax Exempt One-tier	

(c) Date payable

The proposed first and final dividend, if approved at the Annual General Meeting to be held on 27 April 2009, will be paid on the 18 May 2009.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 05 May 2009 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, The Corporate Office, #17-00 Singapore 068906 up to 5.00 p.m. on 04 May 2009 will be registered to determine shareholders' entitlements to the proposed first and final dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 04 May 2009 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.

BUSINESS SEGMENTS

GROUP
2008 (Year to-date)

	CORROSION PREVENTION	INFRASTRUCTURE & ENGINEERING	SUPPLY & DISTRIBUTION	ENVIRONMENT & RESOURCE	ELIMINATION	GROUP
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue						
Sales to external customers	64,247	39,836	27,305	69	-	131,457
Inter-segment sales	3,054	4,000	11,173	-	(18,227)	-
	67,301	43,836	38,478	69	(18,227)	131,457
Results						
Segment results	6,941	3,894	3,000	(944)	-	12,891
Unallocated expenses						(818)
Financial income						30
Financial expenses						(1,237)
Profit before taxation						10,866
Taxation						(2,513)
Profit after taxation						8,353
Minority interests						(114)
Net profit for the year						8,239
Segment Assets	104,977	41,460	46,974	3,492	(72,592)	124,311
Investment in associates	-	-	-	4,191	-	4,191
Total assets						128,502
Segment Liabilities	48,268	34,692	42,925	243	(72,592)	53,536
Unallocated liabilities						33,907
Total liabilities						87,443
Capital Expenditure	8,659	8,723	23	44	-	17,449
Depreciation	3,442	845	195	36	-	4,518
Non cash expenses	354	5	658	-	-	1,017

BUSINESS SEGMENTS

	GROUP 2007 (Year to-date) (restated)					
	CORROSION PREVENTION	INFRASTRUCTURE & ENGINEERING	SUPPLY & DISTRIBUTION	ENVIRONMENT & RESOURCE	ELIMINATION	GROUP
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue						
Sales to external customers	38,923	28,547	28,217	-	-	95,687
Inter-segment sales	398	478	7,873	-	(8,749)	-
	39,321	29,025	36,090	-	(8,749)	95,687
Results						
Segment results	4,601	3,260	2,930	861	-	11,652
Unallocated expenses						(676)
Financial income						62
Financial expenses						(890)
Profit before taxation						10,148
Taxation						(2,417)
Profit after taxation						7,731
Minority interests						(1,672)
Net profit for the year						6,059
Segment Assets	71,472	25,143	29,922	3,728	(44,411)	85,854
Investment in associates	-	-	-	4,617	-	4,617
Total assets						90,471
Segment Liabilities	34,030	21,783	25,636	45	(44,411)	37,083
Unallocated liabilities						18,045
Total liabilities						55,128
Capital Expenditure	7,240	5,367	898	45	-	13,550
Depreciation	1,950	454	244	7	-	2,655
Non cash expenses	51	141	262	-	-	454

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.

	GROUP			
	FY 2008	**FY 2007 (restated)**	**+ / (-)**	**+ / (-)**
	S$'000	**S$'000**	**S$'000**	**%**
First Half				
(a) Revenue	**68,784**	**50,075**	**18,709**	**37.4%**
(b) Profit after tax	**5,278**	**2,774**	**2,504**	**90.3%**
Second Half				
(a) Revenue	**62,673**	**45,612**	**17,061**	**37.4%**
(b) Profit after tax	**3,075**	**4,957**	**(1,882)**	**(38%)**

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

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details).

	Latest Full Year 2008	Previous Full Year 2007
	S$'000	S$'000
Ordinary	1,924	2,693
Preference	-	-
Total:	1,924	2,693

17 Summary of Interested Person Transactions for the financial period ended 31 December 2008

	4th Quarter of FY2008		Full Year 2008	
	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920)	**Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)**	**Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920)**	**Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)**
[Revenue/(Expenses)]	S$	S$	S$	S$
Labroy Shipbuilding & Engineering Pte Ltd				
Provision of corrosion prevention services		4,802,940		12,518,174
Provision of Infrastructure engineering services		417,605		1,360,952
Sale of hardware equipment, tools and other consumables		722,059		778,356
Rental of equipment		529,962		2,245,478
Rental of property expenses	(52,500)		(245,000)	
Procurement of yard's consumables		(3,329)		(46,002)
Procurement of subcontractor services		(3,000)		(157,121)
PT Nanindah Mutiara Shipyard				
Sale of hardware equipment, tools and other consumables		517,341		2,865,412
Provision of Corrosion Prevention Services		36,987		36,987
Heng Huat Shipbuilding & Construction Pte Ltd				
Rental of property expenses	(105,000)		(420,000)	
Hwah Hong Transportation Pte Ltd				
Transportation of cranes & equipment		(16,568)		(112,335)
Labroy Offshore Engineering Pte Ltd				
Provision of Corrosion Prevention Services		2,034,128		3,796,332
Provision of Infrastructure engineering services				3,000,000
Sale of hardware equipment, tools and other consumables				5,096
Labroy Marine Pte Ltd				
Provision of Infrastructure engineering services				234,518
Rental of machineries		1,193		2,324
Provision of vehicle maintenance services & consumables				2,430
Labroy Product Tankers Pte Ltd				
Provision of Infrastructure engineering services		(6,937)		133,176
Crown Shipping Pte Ltd				
Provision of Infrastructure engineering services		63		378,990
PT Graha Trisaka Industri				
Provision of Infrastructure engineering services		-		3,325,866
Sale of hardware equipment, tools and other consumables		159,009		4,082,146
Labroy Offshore Ltd				
Provision of corrosion prevention services				7,180,807
Drydocks World-Singapore Pte Ltd				
Provision of corrosion prevention services		1,690,753		6,672,214
Sale of hardware equipment, tools and other consumables		29,244		37,515
Rental of machineries		8,288		12,488
PT. Pan-United Shipyard Indonesia				
Provision of corrosion prevention services		228,261		4,566,977
Provision of infrastructure engineering services		(15,070)		5,430
Provision of environment resource services		61,650		61,650
Sale of hardware equipment, tools and other consumables		109,534		150,602

BY ORDER OF THE BOARD

Chua Meng Hua
Executive Director
20 February 2009