



**FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE PERIOD ENDED 30 JUNE 2008**

1 (a) GROUP PROFIT AND LOSS ACCOUNT

	Group					
	2nd Qtr 30/06/08	2nd Qtr 30/06/07	Fav / (Unfav)	Half-year 30/06/08	Half-year 30/06/07	Fav / (Unfav)
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	86,307	47,216	82.8	133,750	78,114	71.2
Cost of sales	(67,943)	(38,815)	(75.0)	(102,239)	(63,629)	(60.7)
Gross profit	18,364	8,401	118.6	31,511	14,485	117.5
Other operating income	-	568	nm	-	568	nm
General and administrative expenses	(6,131)	(3,902)	(57.1)	(12,265)	(7,205)	(70.2)
Finance income	11	56	nm	28	57	nm
Finance expenses	(1,700)	(1,079)	(57.6)	(2,771)	(2,240)	(23.7)
Write-back of impairment in respect of an investment property	-	12,706	nm	-	12,706	nm
Profit before tax	10,544	16,750	(37.1)	16,503	18,371	(10.2)
Taxation	1	-	nm	1	-	nm
Net profit attributable to shareholders of the Company	10,545	16,750	(37.0)	16,504	18,371	(10.2)

nm - not meaningful

Profit before tax is arrived at after crediting/(charging):

Profit/(loss) on disposal of plant & equipment	(97)	201	(460)	(136)
Depreciation	(2,172)	(1,002)	(3,935)	(1,970)

1(b)(i) **BALANCE SHEET**

	Group		Company	
	30/06/08	31/12/07	30/06/08	31/12/07
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	114,875	75,954	123	147
Subsidiaries	-	-	125,845	81,473
Other investment	210	210	-	-
Fixed deposits	2,282	685	-	500
Bank balances	2,722	3,651	2,722	3,651
	120,089	80,500	128,690	85,771
Current assets				
Property held for sale	14,091	14,091	-	-
Steel materials	45,736	23,285	-	-
Work in progress	127,309	102,713	-	-
Trade debtors	10,022	20,013	-	-
Sundry debtors and deposits	8,385	7,330	42	-
Prepayments	1,276	1,415	3	-
Cash and bank balances	27,203	18,069	2,874	3,064
	234,022	186,916	2,919	3,064
Current liabilities				
Progress billings in excess of costs	406	3	-	-
Trade creditors	99,650	52,765	-	-
Sundry creditors and accruals	8,767	10,072	310	692
Bank overdraft	215	-	-	-
Bank borrowings	17,128	15,706	-	-
Hire purchase creditors	3,105	733	27	27
Provision for current tax	788	830	-	6
	130,059	80,109	337	725
Net current assets	103,963	106,807	2,582	2,339
Non-current liabilities				
Bank borrowings	90,000	75,000	-	-
Hire purchase creditors	8,495	2,086	149	163
Provision for deferred tax	1,574	1,577	-	-
	100,069	78,663	149	163
Net assets	123,983	108,644	131,123	87,947
Share capital	90,172	90,096	90,172	90,096
Reserves	33,811	18,548	40,951	(2,149)
Shareholders' funds	123,983	108,644	131,123	87,947

Increase in property, plant and equipment was due mainly to purchase of struts, cranes and progress payments toward land and construction costs for a new fabrication factory in Nusajaya, Johore, Malaysia.

Increase in steel materials, work in progress and trade creditors were in line with the increased activities. Net borrowings increased due to higher working capital requirements.

1(b)(ii) GROUP BORROWINGS AND DEBT SECURITIES

	As at 30/06/08		As at 31/12/07	
	(\$'000)		(\$'000)	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	20,448	-	16,439	-
Amount repayable after one year	98,495	-	77,086	-

Details of collateral:

Bank borrowings (including HP creditors) are secured by way of a fixed charge on certain assets of the Group's principal subsidiaries.

1(c) GROUP CONSOLIDATED CASH FLOW STATEMENT

	2nd Qtr 30/06/08	2nd Qtr 30/06/07	Half-year 30/06/08	Half-year 30/06/07
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Profit before tax	10,544	16,750	16,503	18,371
Add/(less):				
Depreciation	1,159	562	2,007	1,129
Interest income	(11)	(56)	(28)	(57)
Interest expense	1,054	1,069	2,010	2,096
Loss/(profit) on disposal of property, plant & equipment	97	(201)	460	136
Write-back of impairment provision on an investment property	-	(12,706)	-	(12,706)
Effects of changes in foreign exchange	114	(73)	278	(50)
Share-based compensation	1,265	546	2,482	600
Operating cash flow before changes in working capital	14,222	5,891	23,712	9,519
Changes in working capital				
Increase in steel materials and work-in-progress	(24,524)	(5,633)	(48,243)	(11,434)
Decrease/(increase) in debtors	6,333	(12,297)	9,075	(12,982)
Increase/(decrease) in creditors	39,522	2,044	45,582	(10,032)
Cash generated from/(used in) operations	35,553	(9,995)	30,126	(24,929)
Income tax paid	(41)	-	(41)	-
Interest received	11	56	28	57
Interest paid	(1,054)	(1,069)	(2,010)	(2,096)
Net cash generated from/(used in) operating activities	34,469	(11,008)	28,103	(26,968)
Cash flows from investing activities				
Payments for property, plant & equipment	(27,541)	(3,303)	(34,957)	(7,254)
Proceeds from disposal of property, plant & equipment	652	2,280	788	2,516
Net cash used in investing activities	(26,889)	(1,023)	(34,169)	(4,738)
Cash flows from financing activities				
Net receipts from/(repayments) of borrowings	5,757	(1,315)	16,422	(3,261)
(Decrease)/increase in pledged fixed deposit and bank balances	(1,124)	10	(668)	-
Hire purchase instalments paid	(544)	(209)	(837)	(441)
Issue of ordinary shares	2	39,149	68	63,354
Net cash generated from financing activities	4,091	37,635	14,985	59,652
Net increase in cash and cash equivalents	11,671	25,604	8,919	27,946
Cash and cash equivalents as at beginning of period	13,492	(17,105)	16,244	(19,447)
Cash and cash equivalents as at end of period	25,163	8,499	25,163	8,499
Cash and cash equivalents comprise:				
Cash and bank balances	25,378	18,140	25,378	18,140
Bank overdraft	(215)	(9,641)	(215)	(9,641)
	25,163	8,499	25,163	8,499

Note:-

Depreciation charge for 2nd quarter 2008 amounted to approximately \$2,172,000 (2nd quarter 2007: \$1,002,000) of which approximately \$1,013,000 (2nd quarter 2007: \$440,000) had been allocated to work in progress.

Depreciation charge for the half-year 2008 amounted to approximately \$3,935,000 (Half-year 2007: \$1,970,000) of which approximately \$1,928,000 (Half-year 2007: \$841,000) had been allocated to work in progress.

Cash and cash equivalents excluded approximately \$6,829,000 (Half-year 2007: NIL) being pledged fixed deposits and bank balances of certain subsidiaries for the payment of interest on certain borrowings over a 3-year period.

1(d)(i) **STATEMENT OF CHANGES IN EQUITY**

	Share capital \$'000	Capital reserves \$'000	Share option reserves \$'000	Foreign currency translation reserves \$'000	Retained earnings/ (accumulated loss) \$'000	Total \$'000
GROUP						
Balance at 1 January 2008	90,096	17,491	2,691	488	(2,122)	108,644
Exercise of warrants	72	(7)	-	-	-	65
Grant of equity-settled share options	-	-	1,217	-	-	1,217
Net profit for the period	-	-	-	-	5,959	5,959
Currency translation for the period	-	-	-	(2,697)	-	(2,697)
Balance at 31 March 2008	90,168	17,484	3,908	(2,209)	3,837	113,188
Exercise of warrants	4	(1)	-	-	-	3
Grant of equity-settled share options	-	-	1,265	-	-	1,265
Net profit for the period	-	-	-	-	10,545	10,545
Currency translation for the period	-	-	-	(1,018)	-	(1,018)
Balance at 30 June 2008	90,172	17,483	5,173	(3,227)	14,382	123,983
Balance at 1 January 2007	24,036	9,033	-	1,005	(26,695)	7,379
Issue of shares	19,348	-	-	-	-	19,348
Exercise of warrants	6,476	(1,619)	-	-	-	4,857
Grant of equity-settled share options	-	-	54	-	-	54
Net profit for the period	-	-	-	-	1,621	1,621
Currency translation for the period	-	-	-	35	-	35
Balance at 31 March 2007	49,860	7,414	54	1,040	(25,074)	33,294
Issue of shares	38,129	-	-	-	-	38,129
Exercise of warrants	1,360	(340)	-	-	-	1,020
Grant of equity-settled share options	-	-	546	-	-	546
Net profit for the period	-	-	-	-	16,750	16,750
Currency translation for the period	-	-	-	(62)	-	(62)
Balance at 30 June 2007	89,349	7,074	600	978	(8,324)	89,677
COMPANY						
Balance at 1 January 2008	90,096	10,655	2,691	-	(15,495)	87,947
Exercise of warrants	72	(7)	-	-	-	65
Grant of equity-settled share options	-	-	1,217	-	-	1,217
Net loss for the period	-	-	-	-	(258)	(258)
Balance at 31 March 2008	90,168	10,648	3,908	-	(15,753)	88,971
Exercise of warrants	4	(1)	-	-	-	3
Grant of equity-settled share options	-	-	1,265	-	-	1,265
Net profit for the period	-	-	-	-	40,884	40,884
Balance at 30 June 2008	90,172	10,647	5,173	-	25,131	131,123
Balance at 1 January 2007	24,036	2,196	-	-	(14,739)	11,493
Issue of shares	19,348	-	-	-	-	19,348
Exercise of warrants	6,476	(1,619)	-	-	-	4,857
Grant of equity-settled share options	-	-	54	-	-	54
Net loss for the period	-	-	-	-	(357)	(357)
Balance at 31 March 2007	49,860	577	54	-	(15,096)	35,395
Issue of shares	39,029	-	-	-	-	39,029
Exercise of warrants	1,360	(340)	-	-	-	1,020
Grant of equity-settled share options	-	-	546	-	-	546
Net loss for the period	-	-	-	-	(289)	(289)
Balance at 30 June 2007	90,249	237	600	-	(15,385)	75,701

1(d)(ii)&(iii) **SHARE CAPITAL**

For the period of 1 April 2008 to 30 June 2008, 60,000 shares were issued pursuant to the exercise of warrants.

As at 30 June 2008, there were:

(a) 63,466,000 (30 June 2007: 35,000,000) unissued ordinary shares relating to options granted and unexercised under the Employee Share Option Scheme.

(b) 369,564,330 (30 June 2007: 23,679,736) unissued ordinary shares relating to outstanding warrants.

As at 30 June 2008, the total number of issued shares was 1,217,482,983 (31 December 2007: 1,217,154,983).

2 **AUDIT**

These figures have not been audited or reviewed by the auditors.

3 **AUDITOR'S REPORT**

Not applicable.

4 **ACCOUNTING POLICIES**

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period as those in the financial year ended 31 December 2007.

5 **CHANGES IN ACCOUNTING POLICIES**

Please refer to Paragraph 4.

6 **EARNINGS PER SHARE**

Earnings per share for the period based on net profit attributable to shareholders:-

	Group (cents)			
	2nd Qtr 30/06/08	2nd Qtr 30/06/07	Half-year 30/06/08	Half-year 30/06/07
(i) Based on weighted average number of shares in issue	0.87	1.46	1.36	1.68
(ii) On a fully diluted basis	0.86	1.40	1.35	1.62

The computation of basic earnings per share for 2nd quarter ended 30 June 2008 is based on the weighted average number of shares of 1,217,462,983 (2nd quarter 2007: 1,149,958,313) and weighted average number of shares for diluted earnings of 1,225,404,380 (2nd quarter 2007: 1,197,437,232).

The computation of basic earnings per share for half year ended 30 June 2008 is based on the weighted average number of shares of 1,217,442,983 (Half-year 2007: 1,090,677,967) and weighted average number of shares for diluted earnings of 1,224,172,078 (Half-year 2007: 1,136,083,157).

7 **NET ASSET VALUE PER SHARE**

	Group (cents)		Company (cents)	
	30/06/08	31/12/07	30/06/08	31/12/07
Net asset value per share	10.18	8.93	10.77	7.23

8 **REVIEW OF THE PERFORMANCE OF THE GROUP**

2Q FY2008

Both Structural Steelworks and Specialist Civil Engineering performed well, benefiting from the increased infrastructural and construction activities in Singapore and the Middle East. Group revenue recorded a significant improvement of 82.8% to \$86.3 million in 2nd quarter ended 30 June 2008 ("2Q FY2008") compared to \$47.2 million in 2nd quarter ended 30 June 2007 ("2Q FY2007").

Structural Steelworks grew 2 times, registering an increase in revenue of 103% to \$60.3 million (2Q FY2007: \$29.7 million). This strong performance was mainly attributable to increased activities from projects such as Orchard Turn, Marina Bay Sands™ Integrated Resort, and the Dubai Metro Rail.

Revenue from Specialist Civil Engineering grew by 48% to \$25.9 million in 2Q FY2008, compared to \$17.5 million in 2Q FY2007. This was mainly due to the commencement of projects at Marina Bay Sands™ Integrated Resorts.

Accordingly, gross profit climbed 118.6% from \$8.4 million in 2Q FY2007 to \$18.4 million in 2Q FY2008, attributable to both higher revenue and improved margins. Excluding the write-back of impairment in respect of an investment property in 2Q FY2007, profit after tax increased 2.6 times, from \$4.0 million to \$10.5 million.

This significantly improved bottom line was achieved despite a \$2.2 million increase in general and administrative expenses to \$6.1 million, due mainly to increased staff cost (\$0.6 million), depreciation (\$0.5 million), loss on disposal of fixed assets (\$0.3 million) and the fair value of share options granted (\$0.7 million), expensed over the vesting period. In line with the increased activities, finance expenses increased by \$0.6 million to \$1.7 million.

Excluding the write-back of impairment in respect of an investment property, earnings per share improved from 0.35 cent to 0.87 cent. Net asset value per share increased by 1.25 cents to 10.18 cents.

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

The results are in line with prospect statement made in 1st quarter ended 31 March 2008 results announcement.

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 event that may effect the group in the next reporting period and the next 12 months

With the ongoing development of the integrated resorts and other private developments along Orchard Road as well as major Government initiatives to improve Singapore's transport infrastructure, outlook for the Group looks promising.

In the Middle East, having developed a strong reputation with the Dubai Metro Rail project, the Group is also well positioned to ride the infrastructure boom.

In India, the Group's beachhead, the New Delhi International Airport project augurs well for the Group's plan to expand its footprint in this new market.

Recent contracts from Marina Bay Sands™ Integrated Resort for its South Podium, Casino and Theatre Podium, and ArtScience Museum projects, and Dubai Metro Rail projects have increased the Group's order book from \$277 million as at 31 March 2008 to \$318 million as at 30 June 2008.

The Board is optimistic that the strong operational performance will continue in FY2008.

11 DIVIDEND

(a) Current financial reported on

Any dividend declared for the current financial period reported on ?

None

(b) Corresponding period of the immediately preceding

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

None

12 If no dividend has been declared / recommended, a statement to the effect

No dividend has been declared/recommendeded for the period ended 30 June 2008.

13 Negative assurance

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the financial results for the 2nd quarter ended 30 June 2008 to be false or misleading.

BY ORDER OF THE BOARD

SEOW SOON YONG
Chief Executive Officer

CHIA SIN CHENG
Finance Director

Date: 14 August 2008