



**FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

1(a) GROUP PROFIT AND LOSS ACCOUNT

	Group					
	3rd Qtr 30/09/09	3rd Qtr 30/09/08	Fav / (Unfav)	9 Months 30/09/09	9 Months 30/09/08	Fav / (Unfav)
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	82,574	96,283	(14.2)	265,819	230,033	15.6
Cost of sales	(57,607)	(78,838)	26.9	(198,037)	(181,416)	(9.2)
Gross profit	24,967	17,445	43.1	67,782	48,617	39.4
Interest income	12	-	nm	22	23	(4.3)
Other income	42	-	nm	193	-	nm
General & administrative expenses	(10,183)	(9,180)	(10.9)	(25,189)	(23,354)	(7.9)
Finance costs	(1,185)	(1,068)	(11.0)	(3,904)	(3,500)	(11.5)
Share of results of joint venture	260	37	602.7	178	27	559.3
Profit before tax	13,913	7,234	92.3	39,082	21,813	79.2
Income tax expense	(2,670)	(550)	(385.5)	(7,095)	(1,658)	(327.9)
Profit after tax	11,243	6,684	68.2	31,987	20,155	58.7

nm - not meaningful

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

Profit/(loss) on disposal of plant & equipment	(398)	30	(813)	(430)
Depreciation	(5,102)	(1,854)	(11,427)	(5,549)
Provision for call on performance bond	-	-	(1,389)	-

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

	Group		Company	
	30/09/09	31/12/08	30/09/09	31/12/08
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	205,135	147,587	78	98
Investment property	12,917	13,316	-	-
Investment in subsidiaries	-	-	39,128	39,125
Amounts due from subsidiaries	-	-	91,097	89,273
Investment in joint ventures	731	466	-	-
Other investment	100	100	-	-
Fixed deposits	800	324	-	-
Bank balances	456	1,826	456	1,826
	220,139	163,619	130,759	130,322
Current assets				
Steel materials, at cost	57,791	61,002	-	-
Gross amount due from customers for contract work-in-progress	131,168	120,926	-	-
Trade debtors	42,838	36,468	-	-
Sundry debtors and deposits	3,472	4,181	-	-
Prepayments	2,039	1,675	-	-
Cash and bank balances	21,685	38,321	1,975	1,919
	258,993	262,573	1,975	1,919
Current liabilities				
Gross amount due to customers for contract work-in-progress	23,338	31,366	-	-
Trade creditors	86,871	93,308	-	-
Other creditors and accruals	21,488	23,817	316	363
Provisions	4,731	1,690	-	-
Borrowings	48,236	20,276	-	-
Hire purchase creditors	7,801	3,919	27	27
Provision for taxation	6,705	788	-	-
	199,170	175,164	343	390
Net current assets	59,823	87,409	1,632	1,529
Non-current liabilities				
Borrowings	79,520	90,620	-	-
Hire purchase creditors	17,011	8,938	115	136
Deferred taxation	4,228	3,728	-	-
	100,759	103,286	115	136
Net assets	179,203	147,742	132,276	131,715
Equity				
Share capital	91,493	90,172	91,493	90,172
Reserves	87,710	57,570	40,783	41,543
	179,203	147,742	132,276	131,715

Increase in property, plant and equipment was due mainly to purchases of struts, cranes and equipment required for various new projects.

Increase in contract work-in-progress was in line with the increased activities. Net borrowings increased due to higher working capital requirements.

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

	As at 30/09/09		As at 31/12/08	
	(\$'000)		(\$'000)	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	49,345	6,692	24,195	-
Amount repayable after one year	96,531	-	99,558	-

Details of collateral:

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

1(c)(i) GROUP CONSOLIDATED CASH FLOW STATEMENT

	3rd Qtr 30/09/09	3rd Qtr 30/09/08	9 Months 30/09/09	9 Months 30/09/08
	\$'000	\$'000	\$'000	\$'000
Operating activities				
Profit before tax	13,913	7,234	39,082	21,813
Add/(less):				
Depreciation of property, plant & equipment	1,183	1,066	5,547	3,013
Depreciation of investment property	80	80	398	240
Interest income	(12)	-	(22)	(23)
Finance costs	1,185	1,068	3,904	3,500
Loss/(profit) on disposal of property, plant & equipment	398	(30)	813	430
Effects of changes in foreign exchange	(547)	342	(109)	620
Grant of equity-settled share options	1,018	1,592	4,016	4,074
Share of results of joint venture	(260)	(37)	(178)	(27)
Operating cash flows before changes in working capital	16,958	11,315	53,451	33,640
Decrease/(increase) in steel materials and contract work-in-progress	23,180	(2,301)	(7,925)	(50,484)
Decrease/(increase) in trade and other debtors	(32)	(1,581)	(4,635)	7,494
(Decrease)/Increase in trade and other creditors	(15,877)	9,304	(8,815)	57,141
Cash flows from operations	24,229	16,737	32,076	47,791
Income tax paid	(6)	-	(714)	(41)
Interest received	12	-	22	28
Interest paid	(1,185)	(1,068)	(3,904)	(3,500)
Net cash flows from operating activities	23,050	15,669	27,480	44,278
Investing activities				
Payments for property, plant & equipment	(30,983)	(23,440)	(55,134)	(58,397)
Proceeds from disposal of property, plant & equipment	302	886	1,587	1,674
Net cash flows used in investing activities	(30,681)	(22,554)	(53,547)	(56,723)
Financing activities				
Dividend paid	-	-	(4,894)	-
Proceeds from borrowings	17,252	(4,629)	27,143	14,294
Repayment of borrowings	(3,750)	(1,250)	(8,750)	(3,750)
Decrease/(increase) in pledged fixed deposit & cash at bank	1,212	(359)	358	(1,027)
Payments for hire purchase instalments	(1,728)	(901)	(4,701)	(2,245)
Proceeds from issuance of ordinary shares	852	-	1,273	68
Net cash flows from/(used in) financing activities	13,838	(7,139)	10,429	7,340
Net increase/(decrease) in cash and cash equivalents	6,207	(14,024)	(15,638)	(5,105)
Cash and cash equivalents as at beginning of period	13,015	25,163	34,860	16,244
Cash and cash equivalents as at end of period	19,222	11,139	19,222	11,139
Cash and cash equivalents comprise:				
Cash and bank balances	19,222	12,225	19,222	12,225
Bank overdraft	-	(1,086)	-	(1,086)
	19,222	11,139	19,222	11,139

Note:-

Depreciation charge for 3Q FY2009 amounted to approximately \$5,102,000 (3Q FY2008: \$1,854,000) of which approximately \$3,839,000 (3Q FY2008: \$708,000) had been allocated to work in progress.

Depreciation charge for the 9 months ended 30 September 2009 ("9 Mths FY2009") amounted to approximately \$11,427,000 (9 Mths FY2008: \$5,549,000) of which approximately \$5,482,000 (9 Mths FY2008: \$2,296,000) had been allocated to work in progress.

Cash and cash equivalents excluded approximately \$3,719,000 (3Q FY2008: \$7,190,000) being pledged fixed deposits and bank balances of certain subsidiaries for the payment of interest on certain borrowings over the next 15 months.

1(d)(i) STATEMENT OF COMPREHENSIVE INCOME

	Group					
	3rd Qtr 30/09/09	3rd Qtr 30/09/08	Fav / (Unfav)	9 Months 30/09/09	9 Months 30/09/08	Fav / (Unfav)
	\$'000	\$'000	%	\$'000	\$'000	%
Profit after tax	11,243	6,684	68.2	31,987	20,155	58.7
Foreign currency translation	(800)	3,279	nm	(921)	(436)	(111.2)
Total comprehensive income	10,443	9,963	4.8	31,066	19,719	57.5

nm - not meaningful

1(d)(ii) STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent					
	Share capital	Capital reserves	Share option reserves	Foreign currency translation reserves	Retained earnings/ (accumulated loss)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
GROUP						
Balance at 1 January 2009	90,172	17,483	8,300	(28)	31,815	147,742
Total comprehensive income for the period	-	-	-	(121)	20,744	20,623
Dividend on ordinary shares	-	-	-	-	(4,894)	(4,894)
Issuance of shares	434	-	-	-	-	434
Conversion of warrants	-	(13)	-	-	-	(13)
Grant of equity-settled share options	-	-	2,998	-	-	2,998
Balance at 30 June 2009	90,606	17,470	11,298	(149)	47,665	166,890
Total comprehensive income for the period	-	-	-	(800)	11,243	10,443
Issuance of shares	887	-	-	-	-	887
Conversion of warrants	-	(35)	-	-	-	(35)
Grant of equity-settled share options	-	-	1,018	-	-	1,018
Balance at 30 September 2009	91,493	17,435	12,316	(949)	58,908	179,203
Balance at 1 January 2008	90,096	17,491	2,691	488	(2,122)	108,644
Total comprehensive income for the period	-	-	-	(3,715)	13,471	9,756
Issuance of shares	76	-	-	-	-	76
Conversion of warrants	-	(8)	-	-	-	(8)
Grant of equity-settled share options	-	-	2,482	-	-	2,482
Balance at 30 June 2008	90,172	17,483	5,173	(3,227)	11,349	120,950
Total comprehensive income for the period	-	-	-	3,279	6,684	9,963
Grant of equity-settled share options	-	-	1,592	-	-	1,592
Balance at 30 September 2008	90,172	17,483	6,765	52	18,033	132,505
COMPANY						
Balance at 1 January 2009	90,172	10,646	8,300	-	22,597	131,715
Total comprehensive income for the period	-	-	-	-	13	13
Dividend on ordinary shares	-	-	-	-	(4,894)	(4,894)
Issuance of shares	434	-	-	-	-	434
Conversion of warrants	-	(13)	-	-	-	(13)
Grant of equity-settled share options	-	-	2,998	-	-	2,998
Balance at 30 June 2009	90,606	10,633	11,298	-	17,716	130,253
Total comprehensive income for the period	-	-	-	-	153	153
Issuance of shares	887	-	-	-	-	887
Conversion of warrants	-	(35)	-	-	-	(35)
Grant of equity-settled share options	-	-	1,018	-	-	1,018
Balance at 30 September 2009	91,493	10,598	12,316	-	17,869	132,276
Balance at 1 January 2008	90,096	10,654	2,691	-	(15,494)	87,947
Total comprehensive income for the period	-	-	-	-	40,626	40,626
Issuance of shares	76	-	-	-	-	76
Conversion of warrants	-	(8)	-	-	-	(8)
Grant of equity-settled share options	-	-	2,482	-	-	2,482
Balance at 30 June 2008	90,172	10,646	5,173	-	25,132	131,123
Total comprehensive income for the period	-	-	-	-	(363)	(363)
Grant of equity-settled share options	-	-	1,592	-	-	1,592
Balance at 30 September 2008	90,172	10,646	6,765	-	24,769	132,352

1(d)(iii)&(iv) SHARE CAPITAL

For the period of 1 July 2009 to 30 September 2009, 7,406,967 shares were issued pursuant to the exercise of 3,405,967 warrants and 4,001,000 employee share options.

As at 30 September 2009, there were:

- (a) 108,685,000 (30 September 2008: 87,871,000) unissued ordinary shares relating to options granted and unexercised Employee Share Option Scheme.
- (b) 364,844,244 (30 September 2008: 369,564,330) unissued ordinary shares relating to outstanding warrants.

As at 30 September 2009, the total number of issued shares was 1,231,384,502 (31 December 2008: 1,217,482,983).

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 2008, except as disclosed in paragraph 5 below.

5 CHANGES IN ACCOUNTING POLICIES

With effect from January 1, 2009, the Group adopted the following new/amended FRS, which are relevant to the Group's operations:

FRS 1 (revised)	Presentation of Financial Statements
FRS 23 (revised)	Borrowing Costs
FRS 108	Operating Segments
Amendments to FRS 107	Improving Disclosures about Financial Instruments

The adoption of the above FRS does not have any significant impact on the financial statements.

6 EARNINGS PER SHARE

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

	Group (cents)			
	3rd Qtr 30/09/09	3rd Qtr 30/09/08	9 Months 30/09/09	9 Months 30/09/08
(i) Based on weighted average number of shares in issue	0.91	0.55	2.61	1.66
(ii) On a fully diluted basis	0.88	0.55	2.51	1.64

The computation of basic earnings per share for 3Q FY2009 is based on the weighted average number of shares of 1,229,219,763 (3Q FY2008: 1,217,482,983) and weighted average number of shares for diluted earnings of 1,276,837,889 (3Q FY2008: 1,220,231,131).

The computation of basic earnings per share for 9 months FY2009 is based on the weighted average number of shares of 1,224,060,038 (9 months FY2008 1,217,456,316) and weighted average number of shares for diluted earnings of 1,273,397,643 (9 months FY2008: 1,228,735,343).

7 NET ASSET VALUE PER SHARE

	Group (cents)		Company (cents)	
	30/09/09	31/12/08	30/09/09	31/12/08
Net asset value per share	14.55	12.14	10.74	10.82

8 REVIEW OF THE PERFORMANCE OF THE GROUP

3rd Quarter ended 30 September 2009 ("3Q FY2009")

With the Dubai Metro Rail project substantially completed, Group revenue in 3Q FY2009 decreased 14.2% to \$82.6 million, from \$96.3 million in 3Q FY2008. Cumulatively, for the nine months to September 30, 2009 ("9MFY2009"), Group revenue registered a 15.6% increase to \$265.8 million, largely due to the many ongoing large infrastructure projects the Group is working on.

Notwithstanding the lower revenue in 3Q FY2009, the Group continued to perform well with higher margins compared to the previous corresponding quarter. Accordingly, gross profit jumped 43.1% to \$25.0 million, from \$17.4 million in 3Q FY2008. Order book remains strong.

Structural Steelworks decreased 17.7% from \$67.4 million in 3Q FY2008 to \$55.5 million, mainly due to the substantial completion of the Dubai Metro Rail and the New Delhi Airport projects, offset by increased activities at the Marina Bay Sands™ Integrated Resort ("MBS").

Specialist Civil Engineering decreased from \$28.8 million in 3Q FY2008 to \$27.0 million in 3Q FY2009 mainly due to the substantial completion of MBS projects, off-set by the commencement of the Marina Coastal Expressway ("MCE") C485 project, the Group's largest contract.

Profit before taxation increased 92.3% from \$7.2 million in 3Q FY2008 to \$13.9 million for the quarter under review. Profit after taxation increased by 68.2% to \$11.2 million. This strong bottomline was achieved despite a 10.9% increase in general and administrative expenses to \$10.2 million. Finance cost increased by 11.0% to \$1.2 million.

In view of the Group's strong performance this quarter, earnings per share improved by 65.5% from 0.55 cent to 0.91 cent. Net asset value per share improved from 12.14 cents as at 31 December 2008 to 14.55 cents as at 30 September 2009. To support the Group's increased activities, its net gearing increased from 0.56 times as at 31 December 2008 to 0.72 times as at 30 September 2009.

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 the prospect statement made in 1st half year 2009 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

The Group continues to perform well with active participation in ongoing mega projects in Singapore, such as the MBS and MCE. In August, Yongnam was awarded two contracts worth a total of about \$97 million – one for a new iconic development, Gardens by the Bay and a 9th contract for the MBS. Government-funded infrastructural projects are expected to remain strong and the Group will continue to remain focused in this sector.

The Group's order book stood at \$540 million as at 30 September 2009, which surpassed the previous record of \$517 million achieved as at March 31, 2009. Supported by the strong order book, the Group is optimistic that it will continue to perform well in the next 12 months.

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 recommended for the period ended 30 September 2009.

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 9 months ended 30 September 2009 to be false or misleading.

BY ORDER OF THE BOARD

SEOW SOON YONG
Chief Executive Officer

CHIA SIN CHENG
Finance & Executive Director

Date: 12 November 2009