

**SIN HENG HEAVY MACHINERY LIMITED AND ITS SUBSIDIARIES**

Unaudited Full Year Financial Statement And Dividend Announcement  
For the Financial Year Ended 30 June 2010

1(a)(i) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Group			Group		
	4Q FY 2010	4Q FY 2009	Increase/ (Decrease)	12 months ended 30/06/2010	12 months ended 30/06/2009	Increase/ (Decrease)
	S\$ '000	S\$ '000	%	S\$ '000	S\$ '000	%
<b>Revenue</b>	<b>35,158</b>	21,985	59.9%	<b>136,757</b>	136,986	(0.2%)
Cost of sales	<b>(30,830)</b>	(17,462)	76.6%	<b>(113,803)</b>	(105,525)	7.8%
<b>Gross profit</b>	<b>4,328</b>	4,523	(4.3%)	<b>22,954</b>	31,461	(27.0%)
Other operating income	<b>200</b>	899	(77.7%)	<b>1,520</b>	2,062	(26.3%)
Selling expenses	<b>(336)</b>	(247)	36.1%	<b>(1,247)</b>	(1,169)	6.7%
Administrative expenses	<b>(2,518)</b>	(1,038)	142.6%	<b>(7,684)</b>	(6,332)	21.3%
Other operating expenses	<b>(720)</b>	(92)	683.1%	<b>(956)</b>	(150)	537.4%
Finance costs	<b>(217)</b>	(71)	205.3%	<b>(796)</b>	(359)	121.8%
Share of results of associate	<b>(3)</b>	(232)	(98.7%)	<b>956</b>	424	125.4%
<b>Profit before income tax</b>	<b>734</b>	3,742	(80.4%)	<b>14,747</b>	25,938	(43.1%)
Income tax expense	<b>(567)</b>	(1,128)	(49.7%)	<b>(2,473)</b>	(3,956)	(37.5%)
<b>Profit for the period attributable to the owners of the Company</b>	<b>167</b>	2,614	(93.6%)	<b>12,274</b>	21,982	(44.2%)
<b>Other comprehensive income:</b>						
Fair value gain/(loss) on available-for-sale investment	<b>(75)</b>	307	(124.4%)	<b>249</b>	(282)	(188.3%)
<b>Total comprehensive income for the period attributable to the owners of the Company</b>	<b>92</b>	2,921	(96.9%)	<b>12,523</b>	21,700	(42.3%)

1(a)(ii) Notes to consolidated statement of comprehensive income

Profit after tax was stated after  
(charging)/ crediting :-

	Group			Group		
	4Q FY 2010	4Q FY 2009	Increase (Decrease)	12 months ended 30/06/2010	12 months ended 30/06/2009	Increase (Decrease)
	S\$ '000	S\$ '000	%	S\$ '000	S\$ '000	%
Depreciation of property, plant and equipment	(2,655)	(2,012)	32.0%	(9,896)	(7,100)	39.4%
Currency exchange (losses)/ gain - net	(224)	697	(132.1%)	(146)	1,004	(114.5%)
Net gain/(loss) on disposal of plant and equipment	-	(10)	NM	31	(1)	NM
Gain/(loss) on disposal of available-for-sale investment (Quoted shares)	92	(2)	NM	55	9	NM
Interest income	-	1	NM	-	62	NM
Interest expense	(217)	(99)	119.2%	(796)	(421)	89.1%
Fair value (loss)/gain on derivative financial instruments	(290)	264	(209.8%)	(210)	362	(158.0%)

Denotes: NM - not meaningful

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

**STATEMENT OF FINANCIAL POSITION**

	The Group		The Company	
	As at 30/6/2010 S\$ '000	As at 30/6/2009 S\$ '000	As at 30/6/2010 S\$ '000	As at 30/6/2009 S\$ '000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	23,009	8,430	21,326	7,492
Trade receivables	15,895	12,817	16,372	12,674
Other receivables and prepaid expenses	1,905	1,564	2,624	1,565
Derivative financial instruments	54	264	54	264
Inventories	8,716	10,189	7,780	10,039
Total current assets	49,578	33,264	48,156	32,034
<b>Non-current assets</b>				
Trade receivables	870	-	870	-
Other receivables	247	-	247	-
Property, plant and equipment	77,414	59,598	66,840	51,809
Investment in associate	2,308	1,352	500	500
Investment in subsidiaries	-	-	335	112
Available-for-sale investments (Quoted shares)	855	794	850	789
Other assets	10	10	10	10
Total non-current assets	81,703	61,754	69,651	53,220
<b>Total assets</b>	131,282	95,018	117,807	85,254
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Bills payable	14,371	10,949	14,371	10,949
Current portion of bank loan	304	304	304	304
Trade payables	1,972	1,580	1,859	1,338
Other payables	4,903	2,594	4,732	2,593
Current portion of finance leases	9,611	3,934	9,605	3,934
Income tax payable	596	1,161	401	1,156
Total current liabilities	31,757	20,522	31,272	20,274
<b>Non-current liabilities</b>				
Bank loan	379	683	379	683
Finance leases	10,374	4,490	10,345	4,490
Deferred tax liabilities	5,256	3,374	4,497	2,945
Total non-current liabilities	16,009	8,547	15,221	8,118
<b>Total liabilities</b>	47,766	29,069	46,493	28,392
<b>NET ASSETS</b>	83,515	65,949	71,314	56,862
<b>Capital and reserves</b>				
Share capital	23,969	1,858	23,969	1,858
Retained earnings	59,629	64,423	47,410	55,318
Fair value reserve	(82)	(332)	(65)	(314)
Total equity	83,515	65,949	71,314	56,862
<b>Total liabilities and equity</b>	131,282	95,018	117,807	85,254

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

	As at 30/06/2010		As at 30/06/2009	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	9,915	-	4,238	-

  

	As at 30/06/2010		As at 30/06/2009	
	Secured	Unsecured	Secured	Unsecured
Amount repayable after one year	10,753	-	5,173	-

## Details of any collateral

- (i) S\$ 0.7 million of secured borrowings relate to a bank loan secured against our property at 26, Gul Road, Singapore 629346.
- (ii) S\$ 20.0 million secured borrowings relate to finance leases which are secured by one or more of the followings:
  - (a) Property, plant and equipment of the Group with carrying value of S\$25.5 million;
  - (b) Personal guarantees from certain directors;
  - (c) Legal mortgage over a property belonging to certain directors.

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		Group	
	4Q FY 2010	4Q FY 2009	12 months ended 30/06/2010	12 months ended 30/06/2009
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
<b>Operating activities</b>				
Profit before income tax	734	3,742	14,747	25,938
Adjustments for:				
Property, plant and equipment written off	119	20	119	20
Unrealised exchange loss/(gain) from derivative financial instruments	290	(264)	210	(362)
Share of results of associate	3	232	(956)	(424)
Depreciation of property, plant & equipment	2,655	2,012	9,896	7,100
Dividend income	-	(14)	-	(14)
Impairment of Available-for-Sales investments	-	11	-	11
Interest expense	217	99	796	421
Interest income	-	(1)	-	(62)
Net forex exchange adjustment	(21)	-	(21)	-
(Gain)/Loss on disposal of available-for-sale investments	(92)	2	(55)	(9)
(Gain) on disposal of property, plant and equipment	-	10	(31)	1
Operating cash flows before movements in working capital	3,905	5,849	24,705	32,620
Trade receivables	(1,228)	12,133	(3,948)	(2,718)
Other receivables and prepaid expenses	1,811	2,025	(588)	1,591
Inventories	(5,059)	(8,658)	(13,189)	(11,569)
Trade payables	(173)	123	392	120
Other payables	9,472	(3,979)	2,309	(1,279)
Cash generated from operations	8,729	7,493	9,682	18,765
Income tax paid	256	350	(1,157)	(3,829)
<b>Net cash from operating activities</b>	<b>8,985</b>	<b>7,843</b>	<b>8,525</b>	<b>14,936</b>
<b>Investing activities</b>				
Dividend from associated company	-	50	-	50
Dividend from other investments	-	14	-	14
Proceeds from available-for-sale investments	(20)	14	243	14
Interest received	-	1	-	62
Purchase of fixed assets	(5,488)	803	(13,360)	(7,454)
Proceeds from disposal of property, plant and equipment	39	78	244	92
Fixed deposit pledged to bank	-	-	91	3,012
<b>Net cash used in investing activities</b>	<b>(5,469)</b>	<b>960</b>	<b>(12,782)</b>	<b>(4,210)</b>
<b>Financing activities</b>				
Bills payable	1,815	5,090	3,422	5,782
Dividend paid	(2,068)	(5,000)	(17,068)	(6,000)
Interest paid	(217)	(99)	(796)	(421)
Repayment of obligations under finance leases	(2,946)	(3,799)	(9,322)	(8,441)
Proceeds from finance leases	2,594	-	20,884	2,396
Repayment of bank loans	(76)	(76)	(304)	(98)
Proceeds from issue of new shares	(15)	-	22,111	-
<b>Net cash from/ (used in) financing activities</b>	<b>(912)</b>	<b>(3,884)</b>	<b>18,927</b>	<b>(6,782)</b>
Net increase/(decrease) in cash and cash equivalents	2,604	4,920	14,670	3,944
Cash and cash equivalents at beginning of the period (Note)	20,405	3,419	8,339	4,395
<b>Cash and cash equivalents at end of the period</b>	<b>23,009</b>	<b>8,339</b>	<b>23,009</b>	<b>8,339</b>

**Note :**

Cash and cash equivalents at beginning of the period comprised:

Cash and bank balances

Less : Fixed deposits pledged to Bank

8,430
(91)
8,339

1(d)(i) A statement for (the issuer and the 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 owners of the Company

<u>The Group</u>	Share capital	Fair value reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2009	1,858	(332)	64,423	65,949
Dividend	-	-	(15,000)	(15,000)
Issue of new shares	22,880			22,880
Capitalised costs	(754)			(754)
Total comprehensive income for the period	-	324	12,107	12,431
Balance at 31 March 2010	23,984	(8)	61,530	85,506
Balance at 1 April 2010	23,984	(8)	61,530	85,506
Dividend	-	-	(2,068)	(2,068)
Capitalised costs	(15)	-	-	(15)
Total comprehensive income for the period	-	(74)	167	92
Balance at 30 June 2010	23,969	(82)	59,629	83,515
Balance at 1 July 2008	1,858	(50)	48,441	50,249
Dividend	-	-	(1,000)	(1,000)
Total comprehensive income for the period	-	(589)	19,368	18,779
Balance at 31 March 2009	1,858	(639)	66,809	68,028
Balance at 1 April 2009	1,858	(639)	66,809	68,028
Dividend	-	-	(5,000)	(5,000)
Total comprehensive income for the period	-	307	2,614	2,921
Balance at 30 June 2009	1,858	(332)	64,423	65,949
<u>The Company</u>	Share capital	Fair value reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2009	1,858	(314)	55,318	56,862
Dividend	-	-	(15,000)	(15,000)
Issue of new shares	22,880	-	-	22,880
Capitalised costs	(754)	-	-	(754)
Total comprehensive income for the period	-	342	8,903	9,245
Balance at 31 March 2010	23,984	28	49,221	73,233
Balance at 1 April 2010	23,984	28	49,221	73,233
Dividend	-	-	(2,068)	(2,068)
Capitalised costs	(15)	-	-	(15)
Total comprehensive income for the period	-	(93)	257	163
Balance at 30 June 2010	23,969	(65)	47,410	71,314
Balance at 1 July 2008	1,858	(33)	41,486	43,312
Dividend	-	-	(1,000)	(1,000)
Total comprehensive income for the period	-	(589)	17,073	16,484
Balance at 31 March 2009	1,858	(621)	57,559	58,796
Balance at 1 April 2009	1,858	(621)	57,559	58,796
Dividend	-	-	(5,000)	(5,000)
Total comprehensive income for the period	-	307	2,759	3,066
Balance at 30 June 2009	1,858	(314)	55,318	56,862

1(d)(ii) Details of any changes in the company's share capital arising from right 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 outstanding convertibles, as well as the number of shares held as treasury shares, 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.

Not applicable.

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.

	<u>30/6/2010</u>	<u>30/6/2009</u>
<b>Total number of issued ordinary shares</b>	<b>459,640,000</b>	1,858,200

Note : At an Extraordinary General Meeting held on 21 December 2009, the shareholders approved the Sub-division, prior to the placement of new shares ("Invitation"), of every existing ordinary share in the issued share capital of the Company be divided into 200 shares, resulting in an issued share capital of 1,858,200 divided into 371,640,000 shares. 459,640,000 shares comprised of 88,000,000 new shares and 371,640,000 shares.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation 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 auditing standard.

The figures presented are not audited nor reviewed by the Company's Auditor.

3. Whether the figures have been audited or reviewed, the auditors' report ( including any qualifications or emphasis of a 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 accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements.

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 following are the new or amended Financial Reporting Standards ("FRS") that are relevant to the Group:

FRS 1 (Revised) : Presentation of Financial Statements  
Amendments to FRS 107 Financial Instruments: Disclosure  
FRS 108 : Operating Segments  
Improvements to FRSs issued in 2008

On 1st July 2009, the Group adopted FRS 1 (Revised), which is effective for annual periods beginning on or after 1st January 2009. According to FRS 1 (Revised), the Group elected to present the statement of comprehensive income in one single statement.

In addition, the "Balance Sheets" and "Consolidated Cash Flow Statement" have been re-titled to "Statements of Financial Position" and "Consolidated Statement of Cash Flows" respectively.

There was no impact on prior period's earnings per ordinary share and net asset value per ordinary share on the adoption of the revised FRS.

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.**

	Group		Group	
	4Q FY 2010	4Q FY 2009	12 months ended 30/06/2010	12 months ended 30/06/2009
EPS based on weighted average number of ordinary shares in issue (cents)	<b>0.04</b>	0.70	<b>3.01</b>	5.91
On a fully diluted basis (cents)	<b>0.04</b>	0.70	<b>3.01</b>	5.91
Weighted average number of ordinary shares in issue	<b>407,322,192</b>	371,640,000	<b>407,322,192</b>	371,640,000

There were no potential dilutive ordinary shares in existence for 12 months ended 30/06/2010 & 30/06/2009.

7. **Net asset value (for the issuer and group) per ordinary share based on 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.

	The Group		The Company	
	30/6/2010	30/6/2009	30/6/2010	30/6/2009
Net asset value per ordinary share (cents)	<b>18.17</b>	17.75	<b>15.52</b>	15.30
Ordinary shares at the end of the current financial period and immediately preceding financial year	<b>459,640,000</b>	371,640,000	<b>459,640,000</b>	371,640,000



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 revenue, 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

	Group			Group		
	4Q FY 2010	4Q FY 2009	Increase/ (Decrease)	12 months ended 30/06/2010	12 months ended 30/06/2009	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>						
<b>Equipment rental business</b>	<b>7,978</b>	8,527	(6.4%)	<b>32,448</b>	33,351	(2.7%)
<b>Trading business</b>	<b>27,180</b>	13,458	102.0%	<b>104,309</b>	103,635	0.7%
<b>Total</b>	<b>35,158</b>	21,985	59.9%	<b>136,757</b>	136,986	(0.2%)

#### 4Q FY 2010 vs 4Q FY 2009

The Group registered revenue of S\$35.2 million for 4Q FY 2010, representing an increase of 59.9% over the S\$22.0 million recorded for the same period in the previous year. The increase was mainly due to more cranes sold during the reporting period.

Revenue from our Equipment Rental Business decreased by 6.4% from S\$8.5 million in 4Q FY 2009 to S\$8.0 million in 4Q FY 2010. This was mainly due to lower overtime work required by our customers as well as the redeployment downtimes following the completion of several long-term rental contracts.

Revenue from our Trading Business increased by 102.0% from S\$13.5 million in 4Q FY 2009 to S\$27.2 million in 4Q FY 2010. The higher revenue recorded in 4Q FY 2010 was mainly due to increase in sales of both cranes and aerial lifts.

#### 12 months ended 30/06/2010 vs 12 month ended 30/06/2009

The Group registered revenue of S\$136.8million for 12 months ended 30/06/10, representing a slight decline of 0.2% over the S\$137.0 million recorded for the same period in the previous year. The decrease was mainly due to the decline in revenue from our Rental Business.

Revenue from our Equipment Rental Business decreased by 2.7% from S\$33.4 million in 12 months ended 30/06/09 to S\$32.4 million in 12 months ended 30/06/10.

Revenue from our Trading Business increased by 0.7% from S\$103.6 million in 12 months ended 30/06/09 to S\$104.3 million in 12 months ended 30/06/10. This was mainly due to increase in sales of both cranes and aerial lifts especially in 4Q FY2010.

#### Gross Profit

	Group			Group		
	4Q FY 2010	4Q FY 2009	Increase/ (Decrease)	12 months ended 30/06/2010	12 months ended 30/06/2009	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Equipment rental business</b>	<b>1,689</b>	3,247	(48.0%)	<b>9,553</b>	12,658	(24.5%)
<b>Trading business</b>	<b>2,639</b>	1,276	106.8%	<b>13,401</b>	18,803	(28.7%)
	<b>4,328</b>	4,523	(4.3%)	<b>22,954</b>	31,461	(27.0%)

#### 4Q FY 2010 vs 4Q FY 2009

Gross profit from our Equipment Rental Business decreased by 48.0% from S\$3.2 million in 4Q FY 2009 to S\$1.7 million in 4Q FY 2010. This was mainly due to:

- (a) lesser overtime work required by our rental customers;
- (b) the redeployment downtimes following the completion of several long-term rental contracts; and
- (c) increase in depreciation charges (in line with increase in equipment rental fleet size).

Gross profit from Trading Business increased by 106.8% from S\$1.3 million in 4Q FY 2009 to S\$2.6 million in 4Q FY 2010. This was due mainly to certain cranes & aerial lifts sold at higher gross profit margin.

#### 12 months ended 30/06/2010 vs 12 months ended 30/06/2009

The Group's gross profit from our Equipment Rental Business decreased by 24.5% from S\$12.7 million in 12 months ended 30/06/2009 to S\$9.6 million in 12 months ended 30/06/2010. This was mainly due to:

- (a) lesser overtime work required by our rental customers;
- (b) the redeployment downtimes following the completion of several long-term rental contracts; and
- (c) increase in depreciation charges (in line with increase in equipment rental fleet size).

These were offset by lower maintenance cost as a result of renewal of our Equipment Rental Fleet with new and younger-aged equipment.

The Group's gross profit from our Trading Business decreased by 28.7% from S\$18.8 million in 12 months ended 30/06/2009 to S\$13.4 million in 12 months ended 30/06/2010. This was mainly attributed to:

- (a) lower trading volume of first 9 months; and
- (b) lower average selling prices as a result of competitive environment in 1H FY 2010.

**Profit before tax**

The Group's profit before tax decreased by 80.4% from S\$3.7 million in 4Q FY 2009 to S\$0.7 million in 4Q FY 2010, and 43.1% from S\$26.0 million in 12 months ended 30/06/2009 to S\$14.7 million in 12 months ended 30/06/2010. This was mainly due to higher depreciation expenses resulted from the expansion of our equipment rental fleet, higher administrative expenses as a result of increased headcount and expenses relating to IPO and other post listing compliance costs, mark-to-market differences on forward contracts entered into to hedge our foreign currency purchases & higher finance cost resulting from the increased in fixed assets under hire purchase financing; and partly offset by higher share of profit from our associate.

**Profit for the period attributable to the owners of the Company**

The Group's profit for the period attributable to the owners of the Company decreased by 93.6% from S\$2.6 million in 4Q FY 2009 to S\$0.2 million in 4Q FY 2010, and 44.2% from S\$22.0 million in 12 months ended 30/06/2009 to S\$12.3 million in 12 months ended 30/06/2010 as a result of lower profit before tax partly offset by lower income tax expense.

## STATEMENT OF FINANCIAL POSITION

### Current assets

As at 30 June 2010, our current assets amounted to approximately S\$49.6 million or 37.8% of our total assets of S\$131.3 million. This was mainly due to :

- (a) Cash and cash equivalents increased from S\$8.4 million as at 30 June 2009 to S\$23.0 million as at 30 June 2010 due mainly to proceeds from the issue of new shares during initial public offering ("IPO") and profit generated from the operations for 12 months ended 30/06/2010.
- (b) Trade receivables increased from S\$12.8 million as at 30 June 2009 to S\$15.9 million as at 30 June 2010 primarily due to increase in trading activities towards the end of 4Q FY 2010.
- (c) Inventories decreased from S\$10.2 million as at 30 June 2009 to S\$8.7 million as at 30 June 2010 primarily due to increase in trading activities towards the end of 4Q FY 2010.

### Non-current assets

As at 30 June 2010, our non-current assets amounted to S\$81.7 million or 62.2% of our total assets of S\$131.3 million. This was mainly due to:

- (a) Property, plant and equipment increased from S\$60.0 million as at 30 June 2009 to S\$77.4 million as at 30 June 2010 as we expanded the equipment rental fleet.

### Current liabilities

As at 30 June 2010, our current liabilities amounted to S\$31.8 million or 66.5% of our total liabilities of S\$47.8 million. This was mainly due to :

- (a) Bills payable increased from S\$10.9 million as at 30 June 2009 to S\$14.4 million as at 30 June 2010 due to higher trading activities towards the end of 4Q FY 2010.
- (b) Current portion of finance leases increased from S\$3.9 million as at 30 June 2009 to S\$9.6 million as at 30 June 2010 due to increase in borrowings for the expansion of the equipment rental fleet.

### Non-current liabilities

As at 30 June 2010, our non-current liabilities amounted to S\$16.0 million or 33.5% of our total liabilities of S\$47.8 million. This was mainly due to:

- (a) Non-current portion of finance leases increased from S\$4.5 million as at 30 June 2009 to S\$10.4 million as at 30 June 2010 due to increase in borrowings for the expansion of the equipment rental fleet.

### Equity

The Group's equity increased from S\$65.9 million as at 30 June 2009 to S\$83.5 million as at 30 June 2010 mainly due to the issue of new shares during IPO and the net profit generated for 12 months ended 30/06/2010 after the payment of the final dividend for FY 2009 and the interim dividend for FY 2010.

### Key ratios

The Group's trade receivable turnover increased from 31 days as at 30 June 2009 to 38 days as at 30 June 2010.

The Group's debt equity ratio increased from 13.8% as at 30 June 2009 to 24.7% as at 30 June 2010.

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

There was no forecast, or any prospect statement previously disclosed to shareholders.

#### **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.**

As announced on 8 April 2010, the Company entered into a dealership agreement with top crane manufacturer; Kobelco, for its cranes spareparts and services. This will strengthen our position as one of the top crane traders in the region.

The equipment rental industry in Singapore is expected to remain competitive.

The Group's overseas subsidiaries in Malaysia and Vietnam are stable.

## 11. Dividend

### (a) Current Financial Period Reported on

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

Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	0.55 cents per ordinary share
Tax Rate	Tax exempt (1-tier)

Note: The dividend rate per ordinary share is calculated based on the issued shares 459,640,000.

### (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	Final
Dividend Type	Cash
Dividend Rate	0.81 cents per ordinary share
Tax Rate	Tax exempt (1-tier)

Note: The dividend rate per ordinary share is calculated based on the Sub-division of issued share capital 1,858,200 into 371,640,000 shares. The final dividend in respect of financial year ended 30 June 2009 is declared at the Annual General Meeting held on 8 December 2009 and paid on 18 December 2009 to the shareholder.

### (c) Date payable

To be advised at a later date.

### (d) Book closure date

To be advised at a later date.

## 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 1Q, 2Q, 3Q 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) Business segments

<u>2010</u>	<u>Equipment Rental</u> S\$'000	<u>Trading</u> S\$'000	<u>Total</u> S\$'000
Total revenue from			
external customers	32,448	104,308	136,756
Inter-segment revenue	796	1,451	2,247
Total revenue	<u>33,244</u>	<u>105,759</u>	<u>139,003</u>
Elimination			<u>(2,247)</u>
			<u>136,757</u>
<b>Results</b>			
Net profit for each segment	9,553	12,154	<u>21,707</u>
Other operating income			1,520
Administrative expenses			(7,684)
Other operating expenses			(956)
Finance costs			(796)
Share of results of associate			<u>956</u>
Profit before tax			14,747
Income tax expense			<u>(2,473)</u>
Reportable segment net profit for the year			<u>12,274</u>
<b>Assets and liabilities</b>			
Segment assets	74,012	8,707	82,719
Unallocated corporate assets			<u>48,562</u>
			<u>131,281</u>
Segment liabilities	19,985	-	19,985
Unallocated corporate liabilities			<u>27,781</u>
			<u>47,766</u>

<u>2009</u>	<u>Equipment Rental</u> SS'000	<u>Trading</u> SS'000	<u>Total</u> SS'000
Total revenue from external customers	33,351	103,635	136,986
Inter-segment revenue	642	0	642
Total revenue	<u>33,993</u>	<u>103,635</u>	<u>137,628</u>
Elimination			<u>(642)</u>
			<u>136,986</u>
<b>Results</b>			
Net profit for each segment	12,658	17,635	<u>30,293</u>
Other operating income			2,062
Administrative expenses			(6,332)
Other operating expenses			(150)
Finance costs			(359)
Share of results of associate			424
Profit before tax			<u>25,938</u>
Income tax expense			(3,956)
Reportable segment net profit for the year			<u><u>21,982</u></u>
<b>Assets and liabilities</b>			
Segment assets	64,342	14,522	78,864
Unallocated corporate assets			<u>16,154</u>
			<u>95,018</u>
Segment liabilities	8,424	-	8,424
Unallocated corporate liabilities			<u>20,645</u>
			<u>29,069</u>

(b) Geographical segments

	<u>Singapore</u>	<u>Indonesia</u>	<u>Middle East</u>	<u>Malaysia</u>	<u>India</u>	<u>Others</u>	<u>Total</u>
2010							
Revenue from external customers	<u>89,784</u>	<u>24,322</u>	<u>1,394</u>	<u>8,489</u>	<u>9,569</u>	<u>3,199</u>	<u>136,757</u>
2009							
Revenue from external customers	<u>89,665</u>	<u>27,296</u>	<u>10,547</u>	<u>7,133</u>	<u>1,128</u>	<u>1,217</u>	<u>136,986</u>

Major customers information

The Group does not have revenues from transactions with a single external customer amounting to 10 per cent or more of the Group's revenues. Accordingly, no major customers information is presented.

14. **In the view 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:-**

(\$'000)	<b>The Group</b>		<b>Increase /(Decrease) %</b>
	30/6/2010	30/6/2009	
<b>Revenue report for first half year</b>	<b>71,217</b>	80,224	(11%)
<b>Profit after tax reported for first half year</b>	<b>9,935</b>	16,296	(39%)
<b>Revenue report for second half year</b>			
	<b>65,540</b>	56,762	15%
<b>Profit after tax reported for second half year</b>			
	<b>2,339</b>	5,686	(59%)

16. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previously full year as follows:-**

(\$'000)	Latest Full Year	Previous Full Year
	Total annual dividend	
Ordinary	16,596	9,000
Total:	<u>16,596</u>	<u>9,000</u>

17. Interested person transactions

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	Nil	Nil

CONFIRMATION BY THE BOARD

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited consolidated financial results for nine month ended 30 June 2010 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Cheng Soon Don  
Managing Director  
24 August 2010