

SIN HENG HEAVY MACHINERY LIMITED AND ITS SUBSIDIARIES

Unaudited Second Quarter Financial Statements Announcement  
For The Period From 1 July 2010 To 31 December 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		
	2Q FY2011	2Q FY2010	Increase/ (Decrease)	1H FY2011	1H FY2010	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	<b>23,423</b>	38,802	(39.6%)	<b>45,846</b>	71,217	(35.6%)
Cost of sales	<b>(18,919)</b>	(31,707)	(40.3%)	<b>(38,007)</b>	(56,982)	(33.3%)
<b>Gross profit</b>	<b>4,504</b>	7,095	(36.5%)	<b>7,839</b>	14,235	(44.9%)
Other operating income	<b>633</b>	340	86.2%	<b>1,724</b>	734	134.9%
Selling expenses	<b>(261)</b>	(397)	(34.3%)	<b>(409)</b>	(650)	(37.1%)
Administrative expenses	<b>(1,838)</b>	(1,726)	6.5%	<b>(3,856)</b>	(3,385)	13.9%
Other operating expenses	<b>(100)</b>	(274)	(63.5%)	<b>(162)</b>	(39)	315.4%
Finance costs	<b>(297)</b>	(233)	27.5%	<b>(574)</b>	(363)	58.1%
Share of results of associate	<b>(9)</b>	525	(101.7%)	<b>117</b>	894	(86.9%)
<b>Profit before income tax</b>	<b>2,632</b>	5,330	(50.6%)	<b>4,679</b>	11,426	(59.0%)
Income tax expense	<b>(456)</b>	(853)	(46.5%)	<b>(741)</b>	(1,491)	(50.3%)
<b>Profit for the period attributable to the owners of the Company</b>	<b>2,176</b>	4,477	(51.4%)	<b>3,938</b>	9,935	(60.4%)
<b>Other comprehensive income:</b>						
Fair value gain on available-for-sale investment	<b>6</b>	163	(96.3%)	<b>111</b>	163	(31.9%)
Exchange difference on translation of foreign operations	<b>(19)</b>	-	NM	<b>(39)</b>	-	NM
<b>Total comprehensive income for the period attributable to the owners of the Company</b>	<b>2,163</b>	4,640	(53.4%)	<b>4,010</b>	10,098	(60.3%)

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

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

	Group			Group		
	2Q FY2011	2Q FY2010	Increase/ (Decrease)	1H FY2011	1H FY2010	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation of property, plant and equipment	(1,697)	(2,395)	(29.1%)	(3,352)	(4,767)	(29.7%)
Currency exchange gain/(losses)- net	(255)	(183)	39.3%	(32)	120	(126.7%)
Net gain on disposal of plant and equipment	83	36	130.6%	139	36	286.1%
Gain/(loss) on disposal of available-for-sale investment (Quoted shares)	266	(37)	NM	266	(37)	NM
Interest income	6	-	NM	7	-	NM
Interest expense	(297)	(233)	27.5%	(574)	(363)	58.1%
Fair value gain/(loss) on derivative financial instruments	66	(194)	NM	31	(458)	NM

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 31/12/2010 S\$ '000	As at 30/6/2010 S\$ '000	As at 31/12/2010 S\$ '000	As at 30/6/2010 S\$ '000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	17,158	23,009	12,359	21,326
Trade receivables	19,179	15,895	23,941	16,372
Other receivables	3,125	1,905	3,769	2,624
Derivative financial instruments	85	54	85	54
Inventories	5,822	8,715	5,636	7,780
Total current assets	<u>45,369</u>	<u>49,578</u>	<u>45,790</u>	<u>48,156</u>
<b>Non-current assets</b>				
Trade receivables	-	870	-	870
Other receivables	115	247	115	247
Property, plant and equipment	85,256	77,414	71,878	66,839
Investment in subsidiaries	-	-	335	335
Investment in associates	4,542	2,307	2,618	500
Available-for-sale investments (Quoted shares)	748	855	748	850
Other assets	10	10	10	10
Total non-current assets	<u>90,671</u>	<u>81,703</u>	<u>75,704</u>	<u>69,651</u>
<b>Total assets</b>	<u>136,040</u>	<u>131,281</u>	<u>121,494</u>	<u>117,807</u>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Bills payable	10,900	14,371	10,900	14,371
Current portion of bank loan	2,351	304	2,351	304
Trade payables	1,562	1,972	1,377	1,859
Other payables	2,336	4,903	2,090	4,732
Current portion of finance leases	12,107	9,611	12,100	9,605
Income tax payable	640	596	754	401
Total current liabilities	<u>29,896</u>	<u>31,757</u>	<u>29,572</u>	<u>31,272</u>
<b>Non-current liabilities</b>				
Bank loan	228	379	228	379
Finance leases	15,313	10,374	15,287	10,345
Deferred tax liabilities	5,606	5,256	4,497	4,497
Total non-current liabilities	<u>21,147</u>	<u>16,009</u>	<u>20,012</u>	<u>15,221</u>
<b>Total liabilities</b>	<u>51,043</u>	<u>47,766</u>	<u>49,584</u>	<u>46,493</u>
<b>NET ASSETS</b>	<u>84,997</u>	<u>83,515</u>	<u>71,910</u>	<u>71,314</u>
<b>Capital and reserves</b>				
Share capital	23,969	23,969	23,969	23,969
Retained earnings	61,039	59,629	47,913	47,410
Translation reserve	(39)	-	-	-
Fair value reserve	28	(83)	28	(65)
Total equity	<u>84,997</u>	<u>83,515</u>	<u>71,910</u>	<u>71,314</u>
<b>Total liabilities and equity</b>	<u>136,040</u>	<u>131,281</u>	<u>121,494</u>	<u>117,807</u>

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

	As at 31/12/2010		As at 30/06/2010	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	12,410	2,048	9,915	-

  

	As at 31/12/2010		As at 30/06/2010	
	Secured	Unsecured	Secured	Unsecured
Amount repayable after one year	15,541	-	10,753	-

Details of any collateral

- (i) S\$ 0.5 million of secured borrowings relate to a bank loan secured against our property at 26, Gul Road, Singapore 629346.
- (ii) S\$ 27.4 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\$49.8 million;
  - (b) Personal guarantees from certain directors;
  - (c) Legal mortgage over a property belonging to certain directors.

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

	Group		Group	
	2Q FY2011	2Q FY2010	1H FY2011	1H FY2010
	S\$'000	S\$'000	S\$'000	S\$'000
<b><u>Operating activities</u></b>				
Profit before income tax	2,632	5,330	4,679	11,426
Adjustments for:				
Unrealised exchange loss/(gain) from derivative financial instruments	(66)	183	(31)	(120)
Share of associate's results	9	(525)	(117)	(894)
Depreciation of property, plant & equipment	1,697	2,395	3,352	4,767
Interest expense	297	233	574	363
Interest income	(6)	-	(7)	-
Net forex exchange adjustment	(15)	-	(17)	-
(Gain)/Loss on disposal of available-for-sale investment	(266)	37	(266)	37
(Gain)/Loss on disposal of property, plant and equipment	(83)	(36)	(139)	(36)
Operating cash flows before movements in working capital	4,199	7,617	8,028	15,543
Trade receivables	(2,480)	(6,526)	(2,418)	(4,111)
Other receivables and prepaid expenses	(1,533)	1,211	(1,105)	(2,378)
Inventories	10,359	10,321	(770)	246
Bill payable	-	(9,009)	-	4,400
Trade payables	205	1,330	(180)	1,168
Other payables	(706)	(967)	(2,564)	(5,577)
Cash generated from operations	10,044	3,977	991	9,291
Income tax paid	(172)	(514)	(346)	(1,027)
<b>Net cash used in operating activities</b>	<b>9,872</b>	<b>3,463</b>	<b>645</b>	<b>8,264</b>
<b><u>Investing activities</u></b>				
Proceeds from available-for-sales investments	288	263	484	263
Interest received	6	-	7	-
Purchase of property, plant and equipment	(6,178)	(2,407)	(7,169)	(5,868)
Fixed deposit pledged to bank	-	-	-	91
Proceeds from disposal of property, plant and equipment	155	205	311	205
Investment in associated company	-	-	(2,118)	-
<b>Net cash used in investing activities</b>	<b>(5,729)</b>	<b>(1,939)</b>	<b>(8,485)</b>	<b>(5,309)</b>
<b><u>Financing activities</u></b>				
Bill payables	(12,098)	-	(3,471)	-
Dividend paid	(2,528)	(3,000)	(2,528)	(3,000)
Interest paid	(298)	(233)	(575)	(363)
Repayment of obligations under finance leases	(3,705)	(2,313)	(7,323)	(3,661)
Proceeds from finance leases	6,739	9,440	13,990	13,097
Repayment of bank loans	(74)	(152)	(152)	(152)
Proceeds from bank loan	2,048	-	2,048	-
<b>Net cash from/ (used in) financing activities</b>	<b>(9,916)</b>	<b>3,742</b>	<b>1,989</b>	<b>5,921</b>
Net increase/(decrease) in cash and cash equivalents	(5,773)	5,266	(5,851)	8,876
Cash and cash equivalents at beginning of the period	22,931	11,949	23,009	8,339
<b>Cash and cash equivalents at end of the period</b>	<b>17,158</b>	<b>17,215</b>	<b>17,158</b>	<b>17,215</b>

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.

<u>The Group</u>	<u>Attributable to owners of the Company</u>				
	Share S\$'000	Fair value S\$'000	Translation S\$'000	Retained S\$'000	Total equity S\$'000
Balance at 1 July 2010	23,969	(83)	-	59,629	83,515
Dividend	-	-	-	-	-
Total comprehensive income for the period	-	105	(20)	1,762	1,847
Balance at 30 September 2010	<u>23,969</u>	<u>22</u>	<u>(20)</u>	<u>61,391</u>	<u>85,362</u>
Balance at 1 October 2010	23,969	22	(20)	61,391	85,362
Dividend	-	-	-	(2,528)	(2,528)
Total comprehensive income for the period	-	6	(19)	2,176	2,163
Balance at 31 December 2010	<u>23,969</u>	<u>28</u>	<u>(39)</u>	<u>61,039</u>	<u>84,997</u>
Balance at 1 July 2009	1,858	(332)	-	64,423	65,949
Dividend	-	-	-	-	-
Total comprehensive income for the period	-	286	-	5,458	5,744
Balance at 30 September 2009	<u>1,858</u>	<u>(46)</u>	<u>-</u>	<u>69,881</u>	<u>71,693</u>
Balance at 1 October 2009	1,858	(46)	-	69,881	71,693
Dividend	-	-	-	(15,000)	(15,000)
Total comprehensive income for the period	-	163	-	4,477	4,640
Balance at 31 December 2009	<u>1,858</u>	<u>117</u>	<u>-</u>	<u>59,358</u>	<u>61,333</u>
<u>The Company</u>					
	Share S\$'000	Fair value S\$'000	Translation S\$'000	Retained S\$'000	Total equity S\$'000
Balance at 1 July 2010	23,969	(65)	-	47,410	71,314
Dividend	-	-	-	-	-
Total comprehensive income for the period	-	103	-	1,059	1,162
Balance at 30 September 2010	<u>23,969</u>	<u>38</u>	<u>-</u>	<u>48,469</u>	<u>72,476</u>
Balance at 1 October 2010	23,969	38	-	48,469	72,476
Dividend	-	-	-	(2,528)	(2,528)
Total comprehensive income for the period	-	(10)	-	1,972	1,962
Balance at 31 December 2010	<u>23,969</u>	<u>28</u>	<u>-</u>	<u>47,913</u>	<u>71,910</u>
Balance at 1 July 2009	1,858	(314)	-	55,318	56,862
Dividend	-	-	-	-	-
Total comprehensive income for the period	-	286	-	4,336	4,622
Balance at 30 September 2009	<u>1,858</u>	<u>(28)</u>	<u>-</u>	<u>59,654</u>	<u>61,484</u>
Balance at 1 October 2009	1,858	(28)	-	59,654	61,484
Dividend	-	-	-	(15,000)	(15,000)
Total comprehensive income for the period	-	163	-	2,900	3,063
Balance at 31 December 2009	<u>1,858</u>	<u>135</u>	<u>-</u>	<u>47,554</u>	<u>49,547</u>

- 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.

During 2Q FY 2011, there were no changes in the Company's share capital.

- 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>31/12/2010</u>	<u>30/06/2010</u>
Total number of issued ordinary shares	459,640,000	459,640,000

- 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 or 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 except for change in group depreciation estimates.

Management reviews the estimated useful lives of property, plant and equipment on a regular basis. The Group exercises judgement in estimating the useful lives and residual value of depreciable assets, after considering the actual condition of its property, plant and equipment, industry standards and the depreciation estimates used by comparable companies. As of July 1, 2010, the management revised the useful lives of its cranes from its present useful life from 8 years to 15 years in order to align to industry practice. As a result of this change, the Group depreciation expense was reduced by S\$2.5m for the period from July to December 2010.

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.

Other than the above change in group depreciation estimates, there are no other changes in the existing accounting policies and methods of computation.

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	
	2Q FY2011	2Q FY2010	1H FY2011	1H FY2010
EPS based on weighted average number of ordinary shares in issue (cents)	0.47	1.20	0.86	2.67
On a fully diluted basis (cents)	0.47	1.20	0.86	2.67
Weighted average number of ordinary shares in issue	459,640,000	371,640,000	459,640,000	371,640,000

There were no potential dilutive ordinary shares in existence for 2Q FY 2011 & 2Q FY 2010.

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	
	<u>31/12/2010</u>	30/06/2010	31/12/2010	30/06/2010
Net asset value per ordinary share (cents)	18.49	18.17	15.64	15.52
Ordinary shares at the end of the current financial period and immediately preceding	459,640,000	459,640,000	459,640,000	459,640,000

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

### Revenue

	Group			Group		
	2Q FY2011	2Q FY 2010	% Change	1H FY2011	1H FY2010	% Change
	S\$'000	S\$'000		S\$'000	S\$'000	
<b>Equipment rental business</b>	7,975	7,720	3.3%	15,602	16,651	(6.3%)
<b>Trading business</b>	15,448	31,082	(50.3%)	30,244	54,566	(44.6%)
<b>Total</b>	23,423	38,802	(39.6%)	45,846	71,217	(35.6%)

The Group registered total revenue of about \$23.4m for 2Q FY2011 (and about \$45.8m for 1H FY2011), which was 39.6% lower than the corresponding period of the prior 2Q FY2010 (and 35.6% lower than 1H FY2010). The decrease in total revenue was mainly due to lower Trading business for both 1Q FY2011 and 2Q FY2011 and lower revenue from Equipment Rental business in 1Q FY2011.

Revenue from Equipment Rental business in 2Q FY2011 increased slightly by 3.3% to approximately \$7.98m as compared to 2Q FY2010, mainly due to improved contributions from overseas subsidiaries in the current period 2Q FY2011. Nevertheless for the period 1H FY2011, Equipment Rental revenue was about 6.3% lower at approximately S\$15.6m as compared to 1H FY2010. This was mainly due to lower rental rates for this period as a result of competitive environment with the scaling down and completion of some major local projects recently.

Revenue from Trading business decreased by about 50.3% to approximately \$15.4m as compared to 2Q FY2010 and decreased by about 44.6% to approximately S\$30.2m as compared to 1H FY2010 respectively, as lesser cranes were traded due to lower overall demand.

### Gross Profit

	Group			Group		
	2Q FY2011	2Q FY 2010	% Change	1H FY2011	1H FY2010	% Change
	S\$'000	S\$'000		S\$'000	S\$'000	
<b>Equipment rental business</b>	2,883	2,689	7.2%	5,169	5,888	(12.2%)
<b>Trading business</b>	1,621	4,406	(63.2%)	2,670	8,347	(68.0%)
	4,504	7,095	(36.5%)	7,839	14,235	(44.9%)

The Group registered overall gross profit of about \$4.5m for 2Q FY2011 (and about \$7.8m for 1H FY2011), which was 36.5% lower than the corresponding period of the prior financial year 2Q FY2010 (and 44.9% lower than 1H FY2010). The decrease in overall gross profit was mainly due to lower gross profit from Trading business for both 1Q FY2011 and 2Q FY2011 and lower gross profit from Equipment Rental business in 1Q FY2011.

Gross profit for Equipment Rental business in 2Q FY2011 increased slightly by 7.2% to approximately \$2.9m as compared to 2Q FY2010, mainly due to improved contributions from overseas subsidiaries in the current period 2Q FY2011. Nevertheless for the period 1H FY2011, gross profit from Equipment Rental was about 12.2% lower at approximately \$5.2m as compared to 1H FY2010. This was mainly due to lower rental rates from a more competitive environment with the completion and scaling down of some major local projects recently.

Gross profit from Trading business decreased by about 63.2% to approximately \$1.6m as compared to 2Q FY2010 and decreased by about 68.0% to approximately \$2.7m as compared to 1H FY 2010 respectively. This was mainly attributed to smaller tonnage capacity cranes being traded which fetched lower gross profit.

### Profit before tax

The Group's profit before tax decreased by 59.0% from approximately \$11.4m in 1H FY2010 to \$4.7m in 1H FY2011 and decreased by 50.6% from approximately \$5.3m in 2Q FY2010 to \$2.6m in 2Q FY2011. This was mainly due to :

- lower gross profit;
- higher administrative expenses as a result of increased headcount and higher administrative expenses from overseas subsidiaries;
- higher finance cost resulting from the increase in fixed assets under hire purchase financing;
- lower profit from an associate company; and
- partly offset by lower selling expenses due to decline in trading activities and higher other income from an insurance claim and some gain from disposal of fixed assets and available-for-sale investment.



## STATEMENT OF FINANCIAL POSITION

### **Current assets**

As at 31 December 2010, total current assets amounted to approximately \$45.4m or 33.3% of our total assets. Current assets comprises mostly of cash and bank balances, trade receivables and inventories. Total current assets decreased about \$4.2m as compared to 30 Jun 2010.

Cash and bank balances decreased about \$5.9m mostly from the repayment of bank bills payables and dividend payment of about \$2.5m in November 2010. The Group's liquidity remains relatively healthy with cash and bank balances of about \$17.2m.

Trade receivables increased about \$3.3m mostly from the sales of inventory cranes towards the end of this reporting period, and inventory decreased correspondingly about \$2.9m mainly from the sales and delivery of the cranes.

### **Non-current assets**

As at 31 December 2010, non-current assets amounted to approximately \$90.7m or 66.7% of our total assets. Non-current assets comprises mostly of fixed assets and investments. Total non-current assets increased about \$9.0m compared to 30 Jun 2010.

Fixed assets or property, plant and equipment increased about \$7.8m in line with the equipment rental fleet expansion and renewal during the period.

Investment in associates increased about \$2.2m mainly due to the acquisition of 30% equity stake in Sinolin Group Holdings Pte Ltd for a cash consideration of \$2.1 million on 29 September 2010 and share of result from an associate company SongCheong Engineering Pte Ltd.

### **Current liabilities**

As at 31 December 2010, current liabilities amounted to about \$29.9m or 58.6% of our total liabilities. Current liabilities comprises mostly of bills payables and current portion of finance leases. Total current liabilities decreased about \$1.9m as compared to 30 Jun 2010.

Bills payable decreased about S\$3.5m mostly due to repayments upon their due dates.

Current portion of finance leases increased about \$2.5m mostly due to expansion and renewal of our equipment rental fleet.

### **Non-current liabilities**

As at 31 December 2010, non-current liabilities amounted to approximately \$21.1m or 41.4% of our total liabilities. Non-current liabilities comprises mostly of non current portion of finance leases and deferred tax. Total non-current liabilities increased about \$5.1m compared to 30 Jun 2010.

Non-current portion of finance leases increased about \$4.9m in line with the increase in current portion of finance leases as mentioned above to fund the expansion and renewal of our equipment rental fleet.

### **Equity**

The Group's equity increased from \$83.5 million as at 30 June 2010 to \$85.0m as at 31 December 2010 mainly due to the comprehensive income generated for 1H FY2011, after netting off against a dividend payment of about S\$2.5m in November 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.**

The strength and sustainability of global economy recovery is patchy and uncertain. Market conditions in Singapore remains less than buoyant with the completion and scaling down of some mega projects recently. The local equipment rental industry is expected to remain competitive and the trading business environment remains challenging as most customers remain cautious due to uncertainty in the global economy.

Moving forward, the Group will continue to maintain active and tight management control of its respective business activities and expand its overseas markets to broaden and diversify our revenue base.

11. **Dividend**

(a) **Current Financial Period Reported on**

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

Name of Dividend: Interim  
Dividend Type: Cash  
Dividend Rate: 0.45 cents per ordinary shares  
Tax Rate: Tax exempt (Tier 1)

(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: Interim  
Dividend Type: Cash  
Dividend Rate: 0.45 cents per ordinary shares  
Tax Rate: Tax exempt (Tier 1)

Note: The dividend rate per ordinary share is calculated based on the issued shares of 459,640,000. The above excludes the tax exempt (one-tier) interim dividend of S\$12.0 million declared on 21 December 2009 and subsequently paid on 18 January 2010.

(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.

13. **Interested person transactions**

**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)**

**Name of Interested Person**

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 the three month period ended 31 December 2010 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

Tan Cheng Soon Don  
Managing Director  
10 February 2011