

Full Year Financial Statement Announcement

Part I – INFORMATION REQUIRED FOR ANNOUNCEMENT OF FULL YEAR RESULTS

These figures have not been audited.

1(a)(i) Income Statement for the year ended:

	Group		
	31/12/2009	31/12/2008	Change
	\$000	\$000	%
Revenue*	703,732	624,560	13
Cost of Sales	(541,694)	(479,929)	13
Gross Profit	162,038	144,631	12
<u>Other Items of Income</u>			
Interest Income	2,478	2,885	(14)
Other Income	10,634	4,556	133
<u>Other Items of Expense</u>			
Distribution Costs	(11,578)	(10,346)	12
Administrative Expenses	(68,499)	(69,907)	(2)
Finance Costs	(10,066)	(11,536)	(13)
Other Expenses	(17,726)	(50,358)	(65)
Operating Profit	67,281	9,925	578
Share of (Loss)/ Profit from Equity-Accounted Associates and Joint Ventures	(1,218)	2,808	NM
Profit Before Tax	66,063	12,733	419
Income Tax Expense	(17,028)	(7,348)	132
Profit Net of Tax	49,035	5,385	811
Profit Attributable to Owners of the Parent, Net of Tax	52,173	5,989	771
Loss Attributable to Non-Controlling Interests, Net of Tax	(3,138)	(604)	420
	49,035	5,385	811
Earnings per Stock Unit (cents)			
Earnings per Stock (Basic)	22.1¢	2.7¢	
Earnings per Stock (Diluted)	18.5¢	2.7¢	
<u>* Revenue comprises:</u>			
Sales of goods	26,683	35,656	(25)
Sales of residential apartments	186,702	75,430	148
Rendering of services	100,084	94,499	6
Revenue from construction contracts	317,402	346,874	(8)
Rental income	71,381	67,643	6
Dividend income	1,480	4,458	(67)
Total revenue	703,732	624,560	13

NM: Not meaningful

1(a)(ii) Other information:

	Group	
	31/12/2009 \$000	31/12/2008 \$000
Allowance for doubtful trade receivables	(788)	(4,694)
Allowance for doubtful trade receivables written back	2,398	3,629
Depreciation and amortisation	(9,268)	(8,408)
Foreign exchange loss	(2,352)	(6,070)
Gain on disposal of investment properties	-	388
Gain/(Loss) on held for trading investments	6,099	(7,204)
(Impairment)/Reversal of impairment loss on property, plant and equipment	(2,096)	76
Impairment loss on intangible assets	-	(136)
Impairment loss on available-for-sale financial assets	-	(9,320)
Net project closure costs	-	(15,000)
Reversal of impairment loss on assets and disposal groups held for sale under FRS 105	604	1,827
Surplus/(Deficit) on revaluation of investment properties	745	(570)

1(b)(i) Statement of Financial Position

	Group		Company	
	31/12/2009 \$000	31/12/2008 \$000	31/12/2009 \$000	31/12/2008 \$000
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	42,350	43,417	2,963	1,359
Investment Properties	912,978	685,524	636,000	636,000
Intangible Assets	25,867	16,072	-	-
Investments in Subsidiaries	-	-	281,623	349,045
Investments in Associates	63,725	38,120	315	315
Investments in Joint Ventures	43,410	37,418	-	-
Deferred Tax Assets	2,328	1,354	-	-
Other Investments	6,667	8,856	5,556	5,217
Development Properties	-	184,834	-	-
Total Non-Current Assets	1,097,325	1,015,595	926,457	991,936
Current Assets				
Assets and Disposal Groups Held for Sale under FRS 105	-	187,215	-	-
Inventories	7,999	10,012	-	-
Income Tax Receivables	4,248	5,126	-	-
Trade and Other Receivables	192,184	200,216	26,700	22,259
Other Investments	16,721	8,604	-	-
Gross Amount due from Customers for Contract Work	36,202	50,876	-	-
Prepayments	3,203	3,710	105	35
Properties Held for Sale	260,810	197,484	-	-
Cash and Cash Equivalents	318,192	178,270	152,532	8,248
Total Current Assets	839,559	841,513	179,337	30,542
Total Assets	1,936,884	1,857,108	1,105,794	1,022,478

1(b)(i) Statement of Financial Position (continued):

	Group		Company	
	31/12/2009 \$000	31/12/2008 \$000	31/12/2009 \$000	31/12/2008 \$000
<u>EQUITY AND LIABILITIES</u>				
<u>Equity</u>				
Share Capital	266,466	227,320	266,466	227,320
Retained Earnings	551,601	517,244	414,326	428,282
Other Reserves	59,858	21,197	23,354	8,603
Equity, Attributable to Owners of the Parent	877,925	765,761	704,146	664,205
Non-Controlling Interests	5,539	71,146	-	-
Total Equity	883,464	836,907	704,146	664,205
<u>Non-Current Liabilities</u>				
Deferred Tax Liabilities	21,210	10,097	2,039	-
Borrowings	423,625	442,624	187,926	220,000
Total Non-Current Liabilities	444,835	452,721	189,965	220,000
<u>Current Liabilities</u>				
Provisions	3,852	4,056	-	-
Income Tax Payable	14,871	7,209	7,806	4,693
Trade and Other Payables	241,651	224,552	17,762	16,017
Borrowings	340,017	314,974	186,115	117,563
Gross Amount due to Customers for Contract Work	8,194	16,689	-	-
Total Current Liabilities	608,585	567,480	211,683	138,273
Total Liabilities	1,053,420	1,020,201	401,648	358,273
Total Equity and Liabilities	1,936,884	1,857,108	1,105,794	1,022,478

1(b)(ii) Comparative figures of the Group's borrowings and debt securities

- (a) Amount repayable in one year or less, or on demand

As at 31/12/2009		As at 31/12/2008	
\$000	\$000	\$000	\$000
Secured	Unsecured	Secured	Unsecured
15,860	324,157	1,237	313,737

- (b) Amount repayable after one year

As at 31/12/2009		As at 31/12/2008	
\$000	\$000	\$000	\$000
Secured	Unsecured	Secured	Unsecured
231,592	192,033	219,991	222,633

- (c) Details of any collaterals

Investment properties after revaluation amounting to \$5,781,000 at 31 December 2009 (31 December 2008: \$5,313,000) have been mortgaged to secure certain loan facilities to partially finance their developments. Property, plant and equipment and investment properties under construction with a total book value of \$2,508,000 (31 December 2008: \$2,923,000) and \$126,593,000 (31 December 2008: \$97,355,000) respectively have been mortgaged to secure borrowings and term loan facilities of certain subsidiaries. Properties held for sale amounting to \$485,356,000 (31 December 2008: \$362,363,000) have also been mortgaged to secure term loan facilities of certain subsidiaries.

1(c) Statement of Cash Flows

	Year Ended	
	31/12/2009	31/12/2008
	\$000	\$000
<u>Cash Flows From Operating Activities</u>		
Profit before Tax	66,063	12,733
Adjustments		
Depreciation of Property, Plant and Equipment	8,786	7,766
Interest Income	(2,478)	(2,885)
Finance Costs	10,066	11,536
Amortisation of Intangible Assets	482	642
Currency Realignment	(3,379)	731
Dividend Income from Investment Securities	(1,480)	(4,458)
Equity Share Options Issued	184	1,331
Gain on Disposal of Associates	(45)	-
Gain on Disposal of Investment Properties	-	(388)
Gain on Disposal of Property, Plant and Equipment	(238)	(224)
(Gain)/Loss on Held for Trading Investments	(6,099)	7,204
Impairment/(Reversal of Impairment) Loss on Property, Plant and Equipment	2,096	(76)
Impairment of Associate	416	130
Impairment Loss on Available-for-Sale Financial Assets	-	9,320
Impairment Loss on Intangible Assets	-	136
Reversal of Impairment Loss on Assets and Disposal Groups		
Held for Sale under FRS 105	(604)	(1,827)
Inventories Written-Down	110	210
Reversal of Write-Down of Inventories	(414)	-
Share of Loss/(Profit) from Equity-Accounted Associates and Joint Ventures	1,218	(2,808)
(Surplus)/Deficit on Revaluation of Investment Properties	(745)	570
Unrealised Exchange Loss	416	5,072
Operating Cash Flows before Changes in Working Capital	74,355	44,715
Changes in Working Capital		
Properties Held for Sale		
- Development Expenditure	(122,992)	(204,985)
- Proceeds from Progress Billings	62,755	71,443
Increase in Trade and Other Payables and Provisions	20,434	24,079
Decrease in Trade and Other Receivables	131,457	24,583
Decrease in Gross Amount due from Customers for Contract Work	15,400	20,112
Decrease in Gross Amount due to Customers for Contract Work	(8,495)	(1,830)
Decrease/(Increase) in Inventories	2,062	(688)
Cash Flows From/(Used In) Operations	174,976	(22,571)
Income Taxes Paid	(2,170)	(4,156)
Finance Costs Paid	(12,796)	(18,481)
Interest Received	2,478	4,205
Net Cash Flows From/(Used In) Operating Activities	162,488	(41,003)
<u>Cash Flows From Investing Activities</u>		
Acquisition of Intangible Assets	(9,992)	(6,623)
Disposal/(Acquisition) of Non-Controlling Interests	74	(1,499)
Capital and Development Expenditure	(56,753)	(129,120)
Increase in Amounts Due from Associates and Joint Ventures	(1,861)	(732)
Increase in Loans to Joint Ventures	(6,070)	(25,243)
Investment in Associates	-	(1,641)

1(c) Statement of Cash Flows (continued)

	Year Ended	
	31/12/2009	31/12/2008
	\$000	\$000
<u>Cash Flows From Investing Activities (continued)</u>		
Investment in Joint Venture	–	(200)
Dividends Received from Associates	205	220
Dividends Received from Investment Securities	1,480	4,458
Proceeds from Disposal of Associates	480	–
Proceeds from Disposal of Held For Trading Investments	2,625	98
Proceeds from Disposal of Investment Properties	2,727	10,268
Proceeds from Disposal of Property, Plant and Equipment	380	3,444
Proceeds from Repayment of Loan Receivable from Investee Company	–	4,530
Net Cash Flows Used In Investing Activities	<u>(66,705)</u>	<u>(142,040)</u>
<u>Cash Flows From Financing Activities</u>		
Dividends Paid	(17,816)	(22,177)
Dividends Paid to Non-Controlling Interests of Subsidiaries	(292)	(908)
Increase/(Decrease) in Trust Receipts and Bills Payable	743	(671)
(Decrease)/Increase in Short-Term Loans	(63,588)	90,273
Contribution from Non-Controlling Interests	–	325
Net Proceeds from Convertible Bonds	128,229	–
Proceeds from Long-Term Loans	29,201	117,641
Repayment of Long-Term Loans	(28,950)	(20,425)
Issuance of Shares Upon Exercise of Share Options	–	2,500
Net Cash Flows From Financing Activities	<u>47,527</u>	<u>166,558</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	143,310	(16,485)
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	<u>164,575</u>	<u>181,060</u>
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance	<u>307,885</u>	<u>164,575</u>

Notes:

(a) Cash and Cash Equivalents

	Year Ended	
	31/12/2009	31/12/2008
	\$000	\$000
Cash and Cash Equivalents comprise:		
Bank Balances and Deposits		
- Continuing Operations	318,192	178,270
- Assets and Disposal Groups Held for Sale under FRS 105	–	1,408
	<u>318,192</u>	<u>179,678</u>
Bank Overdrafts	(10,307)	(15,103)
Cash and Cash Equivalents	<u>307,885</u>	<u>164,575</u>

1(d) Statement of Comprehensive Income

	GROUP	
	2009	2008
	\$000	\$000
Profit Net of Tax	49,035	5,385
Other Comprehensive Income		
(Losses) Gains on Exchange Differences on Translation, Net of Tax	(4,851)	4,616
Gains (Losses) on Remeasuring Available-for-sale Financial Assets, Net of Tax	29,863	(9,734)
Losses on Cash Flow Hedges, Net of Tax	(924)	-
Other Comprehensive Income, Net of Tax	24,088	(5,118)
Total Comprehensive Income	73,123	267
Total Comprehensive Income Attributable to Owners of the Parent	76,531	1,158
Total Comprehensive Income Attributable to Non-Controlling Interests	(3,408)	(891)

1(e)(i) Statements of Changes in Equity

The Group

	Attributable to Equity Owners of the Parent								
	Total Equity	Equity, Attributable to Owners of the Parent, Total	Share Capital	Retained Earnings	AFS Reserve	Share Option Reserve	Translation Reserve	Other Reserves	Non- Controlling Interests
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
2009									
Opening Balance at 01/01/2009	836,907	765,761	227,320	517,244	21,674	3,772	(4,249)	-	71,146
Profit Net of Tax	49,035	52,173	-	52,173	-	-	-	-	(3,138)
Other Comprehensive Income for the Year	24,088	24,358	-	-	29,863	-	(4,581)	(924)	(270)
Total Comprehensive Income for the Year	73,123	76,531	-	52,173	29,863	-	(4,581)	(924)	(3,408)
Ordinary Shares Issued on Conversion of Convertible Bonds	39,146	39,146	39,146	-	-	-	-	-	-
Equity Portion of Convertible Bonds	14,119	14,119	-	-	-	-	-	14,119	-
Equity Share Options Issued	184	184	-	-	-	184	-	-	-
Movement in Non- Controlling Interests Arising from Decrease in Shareholding of a Subsidiary	74	-	-	-	-	-	-	-	74
Disposal of a Subsidiary	(61,981)	-	-	-	-	-	-	-	(61,981)
Dividends Paid	(18,108)	(17,816)	-	(17,816)	-	-	-	-	(292)
Closing Balance at 31/12/2009	883,464	877,925	266,466	551,601	51,537	3,956	(8,830)	13,195	5,539

1(e)(i) Statements of Changes in Equity (continued)

The Group

	Attributable to Equity Owners of the Parent							
	Total Equity	Equity, Attributable to Owners of the Parent, Total	Share Capital	Retained Earnings	AFS Reserve	Share Option Reserve	Translation Reserve	Non- Controlling Interests
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
2008								
Opening Balance at 01/01/2008	857,070	782,949	224,820	533,432	31,408	2,441	(9,152)	74,121
Profit Net of Tax	5,385	5,989	-	5,989	-	-	-	(604)
Other Comprehensive Income for the Year	(5,118)	(4,831)	-	-	(9,734)	-	4,903	(287)
Total Comprehensive Income for the Year	267	1,158	-	5,989	(9,734)	-	4,903	(891)
Ordinary Shares Issued on Exercise of Share Options Converted into Ordinary Stocks	2,500	2,500	2,500	-	-	-	-	-
Equity Share Options Issued	1,331	1,331	-	-	-	1,331	-	-
Movement in Non- Controlling Interests Arising from Increase in Shareholding of a Subsidiary	(1,176)	-	-	-	-	-	-	(1,176)
Dividends Paid	(23,085)	(22,177)	-	(22,177)	-	-	-	(908)
Closing Balance at 31/12/2008	836,907	765,761	227,320	517,244	21,674	3,772	(4,249)	71,146

1(e)(i) Statements of Changes in Equity (continued)

The Company

	Total Equity	Share Capital	Retained Earnings	AFS Reserve	Share Option Reserve	Other Reserves
	\$000	\$000	\$000	\$000	\$000	\$000
Opening Balance at 01/01/2009	664,205	227,320	428,282	4,831	3,772	-
Profit Net of Tax	3,860	-	3,860	-	-	-
Other Comprehensive Income for the Year	448	-	-	448	-	-
Total Comprehensive Income for the Year	4,308	-	3,860	448	-	-
Ordinary Shares Issued on Conversion of Convertible Bonds	39,146	39,146	-	-	-	-
Equity Portion of Convertible Bonds	14,119	-	-	-	-	14,119
Equity Share Options Issued	184	-	-	-	184	-
Dividends Paid	(17,816)	-	(17,816)	-	-	-
Closing Balance at 31/12/2009	704,146	266,466	414,326	5,279	3,956	14,119
Opening Balance at 01/01/2008	668,154	224,820	436,573	4,320	2,441	-
Profit Net of Tax	13,886	-	13,886	-	-	-
Other Comprehensive Income for the Year	511	-	-	511	-	-
Total Comprehensive Income for the Year	14,397	-	13,886	511	-	-
Ordinary Shares Issued on Exercise of Share Options Converted into Ordinary Stocks	2,500	2,500	-	-	-	-
Equity Share Options Issued	1,331	-	-	-	1,331	-
Dividends Paid	(22,177)	-	(22,177)	-	-	-
Closing Balance at 31/12/2008	664,205	227,320	428,282	4,831	3,772	-

1(d)(ii) Details of any changes in the company's issued share capital

During the year, the Company issued 34,221,318 ordinary shares on conversion of \$45,856,607 convertible bonds since the date of issue and no options was exercised under the United Engineers Share Option Scheme 2000 (Scheme 2000).

As at 31 December 2009, there were 6,519,200 (31 December 2008: 5,806,550) unexercised options for ordinary shares under Scheme 2000 and \$87,117,992 convertible bonds which are convertible into 65,013,427 shares (31 December 2008: Nil) at the conversion price of \$1.34 per share.

2 Whether the figures have been audited or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by the Group's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

NA

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Other than as mentioned in Paragraph 5 regarding the adoption of new Interpretations of Financial Reporting Standards (INT FRS), there were no further changes in accounting policies and methods of computation adopted in the financial statements of the current reporting period as compared to the most recently audited annual financial statements as at 31 December 2008.

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 effect of, the change.

Adoption of new FRS (effective for annual financial periods beginning on or after 1 January 2009)

FRS 1	:	Presentation of Financial Statements – Revised Presentation
FRS 23	:	Borrowing Costs
FRS 102	:	Share-based Payment – Vesting Conditions and Cancellations
FRS 108	:	Operating Segments

The adoption of the above FRS did not result in any substantial change to the Group’s accounting policies nor any significant impact on the financial statements.

The Group has elected to early-adopt the following FRS (effective for annual financial periods beginning on or after 1 July 2009) with effect from 1 January 2009 to more fairly reflect the non-controlling interests in subsidiary companies.

- Amendments to FRS 27 Consolidated and Separate Financial Statements
- Revised FRS 103 Business Combinations

The adoption of amended FRS 27 has the effect of increasing and decreasing the losses attributed to certain non-controlling interests and the Group, respectively, for the financial year ended 31 December 2009 by S\$6 million. The adoption of revised FRS 103 has no effect on the financial statements of the Group for the financial year ended 31 December 2009.

6 Earnings per stock unit (cents)

	Year Ended	
	31/12/2009	31/12/2008
(a) Basic*:	22.1¢	2.7¢
(b) Diluted**:	18.5¢	2.7¢
(c) Weighted average number of stock units used in the computation of basic earnings per stock unit	236,072,133	221,299,666
(d) Weighted average number of stock units used in the computation of diluted earnings per stock unit	<u>301,493,089</u>	<u>222,872,761</u>

* Earnings per ordinary stock unit on existing issued share capital, after deducting provision for preference dividend, is computed based on the weighted average number of ordinary stock units in issue during the year.

** Earnings per ordinary stock unit on a fully diluted basis, after deducting provision for preference dividend, is computed based on the weighted average number of ordinary stock units during the year adjusted to assume conversion of all dilutive ordinary shares.

7 Net asset value per stock unit

	Group		Company	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Net asset per ordinary stock unit based on the total number of issued shares (excluding treasury shares) of				
255,845,651 (2008:				
221,624,333)	<u>\$3.43</u>	<u>\$3.46</u>	<u>\$2.75</u>	<u>\$3.00</u>

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current period reported on.

Overview

The Group's core businesses comprise Engineering & Construction (E&C) and Integrated Facility Management (IFM) which includes property development.

For the **year ended 31 December 2009**, Revenue increased by \$79.1 million (13%) to \$703.7 million from \$624.6 million in 2008 mainly due to the progressive recognition of revenue from the sales of apartment units at *The Rochester* in one-north and *Park Central @ AMK* in Ang Mo Kio as well as revenue from the provision of mechanical and electrical services for the Marina Bay Sands Integrated Resort. Arising from the increased revenue, Gross Profit rose by \$17.4 million (12%) to \$162.0 million in 2009. Gross Profit Percentage was 23.0% compared with 23.2% for 2008.

Other Income increased by \$6.0 million (133%) from \$4.6 million in 2008 to \$10.6 million mainly due to fair value gains from the Group's short-term investments.

In 2009, the Group recognised a gain of \$745,000 on the revaluation of investment properties, compared with a deficit of \$570,000 in 2008.

Other Expenses decreased by \$32.7 million (65%) from \$50.4 million in 2008 to \$17.7 million mainly due to the following charges recognised in 2008: (1) provisions made for the Fusionopolis project and (2) \$9.3 million impairment charge on available-for-sale investments and \$6.9 million fair value losses on short-term investments.

Finance Costs decreased from \$11.5 million in 2008 to \$10.1 million due to lower interest rates in 2009.

Income Tax Expense increased by \$9.7 million (132%) from \$7.3 million in 2008 to \$17.0 million in line with higher operating profit as well as expenses not deductible for tax purposes.

The Share of Loss from Equity-Accounted Associates and Joint Ventures was \$1.2 million, compared with the share of profit of \$2.8 million in 2008 mainly due to the reduction of the overall development profit of the Balmoral Crescent project arising from the bulk sales of the remaining 21 apartment units by the Group's 50%-owned joint venture, Balmoral Development Pte Ltd.

Attributable Profit

The Group's **attributable profit** increased to \$52.2 million in 2009 compared with \$6.0 million in 2008.

Earnings per ordinary stock unit (EPS) was 22.1 cents compared with 2.7 cents in 2008.

Net asset per ordinary stock unit stood at \$3.43 as at 31 December 2009 compared with \$3.46 as at 31 December 2008.

Segment Review

In the **Engineering & Construction (E&C) Division**, yearly comparison of results is not meaningful as progress billings of job completion vary from project to project. In 2009, revenue increased by \$7.3 million (2%) to \$425.5 million mainly due to the completion of projects in the E&C Division. However gross margin decreased by \$1.7 million (3%) to \$47.0 million due to reduced margins for certain projects. The E&C Division recorded a fair value gain on short-term investments of \$6.0 million, resulting in an operating gain of \$10.7 million in 2009, compared with an operating loss of \$22.5 million in 2008 (which included provisions made for the Fusionopolis project and fair value losses on short-term investments).

The **Integrated Facility Management (IFM) Division** (including property development) increased its revenue by \$111.1 million (50%) to \$331.7 million in 2009. This was mainly due to the progressive recognition of revenue from the sales of apartment units at *The Rochester* in one-north and *Park Central @ AMK* in Ang Mo Kio. The IFM Division's profit before interest and tax increased by \$24.4 million (47%) to \$76.9 million in 2009 mainly due to the higher revenue.

Cash Flow and Financial Position Review

As at 31 December 2009, the Group had cash and cash equivalents of \$318 million. In 2009, the Group received net proceeds of \$128 million from the Rights Issue (as defined in the Company's Offer Information Statement dated 6 February 2009) and the balance of the sales proceeds of US\$60.4 million (S\$86 million) arising from the disposal of the Group's shareholding interest in Anhui Hefei United Power Generation Company Limited. Out of the Rights Issue proceeds, \$50 million was utilised for the Group's property development projects, general working capital and repayment of amounts outstanding under a 5-year committed revolving credit facility. In 2009, the Group incurred total development expenditure of \$166 million for the *Vista Xchange* in one-north, *Park Central @ AMK* in Ang Mo Kio and *UE Biz Hub* in Changi Business Park.

Apart from the above, the Group's components of cash flow and financial position and changes in these components from 2008 to 2009 were the result of the Group's other ongoing operations.

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

NA

- 10 A commentary at the date of this announcement of the 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 Group will continue to execute several large-scale building and infrastructure projects over the next 12 months. While existing projects will keep the Group busy, the Group will face stiffer competition in replenishing its order books due to the challenging environment brought about by the economic slowdown in Singapore and the countries it operates in. As the Singapore economy has improved, the Group remains cautiously positive about the outlook for 2010 and beyond.

11 Dividend

- (a) Current Financial Period Reported on
Any dividend recommended for the current financial period reported on? Yes.

Name of Dividend	Ordinary Dividend (First and Final)		Preference Dividend (First and Final)
	Normal	Special	
Dividend Type	Cash	Cash	Cash
Dividend Rate	5 cents per ordinary stock (one-tier tax)	4 cents per ordinary stock (one-tier tax)	7.5 cents per preference share (one-tier tax)

- (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	Ordinary Dividend (First and Final)		Preference Dividend (First and Final)
	Normal	Special	
Dividend Type	Cash	Cash	Cash
Dividend Rate	5 cents per ordinary stock (one-tier tax)	3 cents per ordinary stock (one-tier tax)	7.5 cents per preference share (one-tier tax)

- (c) Date Payable

The proposed dividends, if approved by Members at the Annual General Meeting, will be paid on 21 May 2010.

- (d) Books closure date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members will be closed from 10 May 2010 to 12 May 2010 (both dates inclusive) for the purposes of ascertaining dividend entitlements. Duly completed transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services, 8 Cross Street, #11-00 PWC Building, Singapore 048424, up to 5.00 p.m. on 7 May 2010 will be registered to determine such dividend entitlements.

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

NA

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q4 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

	Engineering and Construction \$000	Integrated Facility Management \$000	Corporate Services & Others \$000	Elimination \$000	Total \$000
Year ended 31 December 2009					
Segment Revenue					
Sales to external customers	372,129	330,483	1,120	-	703,732
Inter-segment sales	53,360	1,224	8,083	(62,667)	-
Total revenue	<u>425,489</u>	<u>331,707</u>	<u>9,203</u>	<u>(62,667)</u>	<u>703,732</u>
Segment result	10,678	76,883	(12,692)	-	74,869
Finance costs					(10,066)
Interest income					2,478
Share of (loss)/profit from equity-accounted associates	(705)	647	-	-	(58)
Share of loss from equity-accounted Joint Ventures	-	(1,160)	-	-	(1,160)
Profit before tax					66,063
Income tax expense					(17,028)
Profit net of tax					<u>49,035</u>
Segment assets	315,669	1,336,529	170,975	-	1,823,173
Investment in associates	56,098	7,498	129	-	63,725
Investment in joint ventures	-	43,410	-	-	43,410
Unallocated assets					6,576
Total assets					<u>1,936,884</u>
Segment liabilities	201,195	46,167	6,335	-	253,697
Unallocated liabilities					799,723
Total liabilities					<u>1,053,420</u>
Other segment information:					
Allowance for doubtful trade receivables	717	71	-	-	788
Capital expenditure	9,342	448	2,807	-	12,597
Depreciation and amortisation	6,365	2,095	808	-	9,268
Gain on held for trading investments	6,099	-	-	-	6,099
Impairment loss on property, plant and equipment	-	2,096	-	-	2,096
Reversal of impairment loss on assets and disposal groups held for sale under FRS 105	-	-	604	-	604
Surplus on revaluation of investment properties	490	255	-	-	745

	Engineering and Construction \$000	Integrated Facility Management \$000	Corporate Services & Others \$000	Elimination \$000	Total \$000
Year ended 31 December 2008					
Segment Revenue					
Sales to external customers	402,931	219,381	2,248	-	624,560
Inter-segment sales	15,238	1,200	6,348	(22,786)	-
Total revenue	<u>418,169</u>	<u>220,581</u>	<u>8,596</u>	<u>(22,786)</u>	<u>624,560</u>
Segment result	(22,532)	52,439	(11,331)	-	18,576
Finance costs					(11,536)
Interest income					2,885
Share of (loss)/profit from equity-accounted associates	(1,020)	823	-	-	(197)
Share of profit from equity-accounted joint ventures	-	3,005	-	-	3,005
Profit before tax					12,733
Income tax expense					(7,348)
Profit net of tax					<u>5,385</u>
Segment assets	332,713	1,216,766	38,396	-	1,587,875
Investment in associates	30,646	7,213	261	-	38,120
Investment in joint ventures	-	37,418	-	-	37,418
Assets and disposal groups held for sale under FRS 105	187,215	-	-	-	187,215
Unallocated assets					6,480
Total assets					<u>1,857,108</u>
Segment liabilities	192,541	49,312	3,444	-	245,297
Unallocated liabilities					774,904
Total liabilities					<u>1,020,201</u>
Other segment information:					
Allowance for doubtful trade receivables	4,400	88	206	-	4,694
Capital expenditure	10,319	1,174	449	-	11,942
Depreciation and amortisation	4,871	2,320	1,217	-	8,408
Loss on held for trading investments	7,060	-	144	-	7,204
Gain on disposal of investment properties	-	388	-	-	388
Reversal of impairment loss on property, plant and equipment	76	-	-	-	76
Reversal of impairment loss on assets and disposal groups held for sale under FRS 105	-	-	1,827	-	1,827
Impairment loss on available-for-sale financial assets	-	-	9,320	-	9,320
Impairment loss on intangible assets	136	-	-	-	136
Deficit on revaluation of investment properties	570	-	-	-	570

13 Geographical segments

	Revenues		Non-current assets	
	2009	2008	2009	2008
	\$000	\$000	\$000	\$000
Singapore	495,239	414,863	925,850	876,737
Other Asean Countries	130,941	134,116	25,753	28,477
Other Asian Countries	76,107	71,069	29,592	24,633
Others	1,445	4,512	–	–
	703,732	624,560	981,195	929,847

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.

Refer to item 8.

15 A breakdown of sales as follows:

	31/12/2009	31/12/2008	%
	\$000	\$000	Increase
(a) Sales reported for first half year	316,050	273,789	15.4
(b) Operating profit after tax before deducting Non-Controlling Interests reported for first half year	20,474	5,165	296.4
(c) Sales reported for second half year	387,682	350,771	11.0
(d) Operating profit after tax before deducting Non-Controlling Interests reported for second half year	28,561	220	12,882.3

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

Dividend, paid	2009	2008
	\$000	\$000
Ordinary	17,750	22,111
Preference	66	66
Total	<u>17,816</u>	<u>22,177</u>

BY ORDER OF THE BOARD
Jeslyn Heng Fook Pyng
Secretary
24 February 2010