

**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:

	<b>Group</b>		
	31/12/2010 \$000	31/12/2009 \$000	Change %
Revenue*	901,420	703,732	28
Cost of Sales	<b>(614,798)</b>	<b>(541,694)</b>	14
Gross Profit	<b>286,622</b>	162,038	77
<u>Other Items of Income</u>			
Interest Income	3,633	2,478	47
Other Income	51,131	10,634	381
<u>Other Items of Expense</u>			
Distribution Costs	(11,505)	(11,578)	(1)
Administrative Expenses	(76,593)	(68,499)	12
Finance Costs	(3,834)	(10,066)	(62)
Other Expenses	(19,946)	(17,726)	13
<b>Operating Profit</b>	<b>229,508</b>	67,281	241
Share of Profit/(Loss) from Equity-Accounted Associates and Joint Ventures	4,955	(1,218)	NM
Profit Before Tax	<b>234,463</b>	66,063	255
Income Tax Expense	(46,960)	(17,028)	176
<b>Profit Net of Tax</b>	<b>187,503</b>	49,035	282
Profit Attributable to Owners of the Parent, Net of Tax	186,152	52,173	257
Profit/(Loss) Attributable to Non-Controlling Interests, Net of Tax	1,351	(3,138)	NM
	<b>187,503</b>	49,035	282
<b>Earnings per Stock Unit (cents)</b>			
Earnings per Stock (Basic)	71.7 ¢	22.1 ¢	
Earnings per Stock (Diluted)	59.1 ¢	18.2 ¢	
<u>* Revenue comprises:</u>			
Sales of goods	21,623	26,683	(19)
Sales of residential apartments	498,216	186,702	167
Rendering of services	95,850	100,084	(4)
Revenue from construction contracts	203,204	317,402	(36)
Rental income	82,268	71,381	15
Dividend income	259	1,480	(83)
Total revenue	<b>901,420</b>	703,732	28

NM: Not meaningful

1(a)(ii) Other information:

	Group	
	31/12/2010	31/12/2009
	\$000	\$000
Allowance for doubtful trade receivables	(1,219)	(788)
Allowance for doubtful trade receivables written back	63	2,398
Depreciation and amortisation	(9,175)	(9,268)
Foreign exchange loss	(1,307)	(2,352)
Gain on held for trading investments	520	6,099
Impairment loss on property, plant and equipment	(408)	(2,096)
Reversal of impairment loss on assets and disposal groups held for sale under FRS 105	-	604
Net surplus on revaluation of investment properties	<u>48,453</u>	<u>745</u>

1(a)(iii) Statement of Comprehensive Income

<b>Profit Net of Tax</b>	<b>187,503</b>	<b>49,035</b>
<b>Other Comprehensive Income</b>		
Gains/ (Losses) on Exchange Differences on Translation, Net of Tax	659	(4,851)
(Losses)/ Gains on Remeasuring Available-for-sale Financial Assets, Net of Tax	(2,300)	2,564
Gains/ (Losses) on Cash Flow Hedges, Net of Tax	115	(924)
Share of Other Comprehensive Income from Equity-Accounted Associate, Net of Tax	<u>(6,883)</u>	<u>27,299</u>
<b>Other Comprehensive Income, Net of Tax</b>	<b>(8,409)</b>	<b>24,088</b>
<b>Total Comprehensive Income</b>	<b><u>179,094</u></b>	<b><u>73,123</u></b>
Total Comprehensive Income Attributable to Owners of the Parent	177,660	76,531
Total Comprehensive Income Attributable to Non-Controlling Interests	1,434	(3,408)

## 1(b)(i) Statement of Financial Position

	Group		Company	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
	\$000	\$000	\$000	\$000
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	72,434	42,350	28,809	2,963
Investment Properties	1,057,395	912,978	665,000	636,000
Intangible Assets	26,270	25,867	-	-
Investments in Subsidiaries	-	-	356,830	281,623
Investments in Associates	55,640	63,725	315	315
Investments in Joint Ventures	36,573	43,410	-	-
Deferred Tax Assets	687	2,328	-	-
Trade and Other Receivables	20,213	30,030	-	-
Other Investments	6,786	6,667	6,686	5,556
<b>Total Non-Current Assets</b>	<b>1,275,998</b>	<b>1,127,355</b>	<b>1,057,640</b>	<b>926,457</b>
<b>Current Assets</b>				
Inventories	7,053	7,999	-	-
Income Tax Receivables	1,855	4,248	-	-
Trade and Other Receivables	149,915	162,154	34,321	26,700
Other Investments	14,906	16,721	-	-
Gross Amount due from Customers for Contract Work	33,763	36,202	-	-
Prepayments	2,806	3,203	67	105
Properties Held for Sale	657,076	260,810	-	-
Bank Balances and Deposits	266,625	318,192	59,072	152,532
<b>Total Current Assets</b>	<b>1,133,999</b>	<b>809,529</b>	<b>93,460</b>	<b>179,337</b>
<b>Total Assets</b>	<b>2,409,997</b>	<b>1,936,884</b>	<b>1,151,100</b>	<b>1,105,794</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share Capital	273,902	266,466	273,902	266,466
Retained Earnings	714,407	551,601	453,580	414,326
Other Reserves	55,217	59,858	23,397	23,354
<b>Equity, Attributable to Owners of the Parent</b>	<b>1,043,526</b>	<b>877,925</b>	<b>750,879</b>	<b>704,146</b>
Non-Controlling Interests	403	5,539	-	-
<b>Total Equity</b>	<b>1,043,929</b>	<b>883,464</b>	<b>750,879</b>	<b>704,146</b>
<b>Non-Current Liabilities</b>				
Deferred Tax Liabilities	44,601	21,210	1,442	2,039
Trade and Other Payables	13,607	24,434	-	-
Borrowings	472,294	423,625	74,222	187,926
<b>Total Non-Current Liabilities</b>	<b>530,502</b>	<b>469,269</b>	<b>75,664</b>	<b>189,965</b>
<b>Current Liabilities</b>				
Provisions	3,110	3,852	-	-
Income Tax Payable	26,149	14,871	12,310	7,806
Trade and Other Payables	311,633	217,217	19,434	17,762
Borrowings	468,090	340,017	292,813	186,115
Gross Amount due to Customers for Contract Work	26,584	8,194	-	-
<b>Total Current Liabilities</b>	<b>835,566</b>	<b>584,151</b>	<b>324,557</b>	<b>211,683</b>
<b>Total Liabilities</b>	<b>1,366,068</b>	<b>1,053,420</b>	<b>400,221</b>	<b>401,648</b>
<b>Total Equity and Liabilities</b>	<b>2,409,997</b>	<b>1,936,884</b>	<b>1,151,100</b>	<b>1,105,794</b>

1(b)(ii) Aggregate amount of the Group's borrowings and debt securities

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

As at 31/12/2010		As at 31/12/2009	
\$000	\$000	\$000	\$000
Secured	Unsecured	Secured	Unsecured
110,112	357,978	15,860	324,157

(b) Amount repayable after one year

As at 31/12/2010		As at 31/12/2009	
\$000	\$000	\$000	\$000
Secured	Unsecured	Secured	Unsecured
392,775	79,519	231,592	192,033

(c) Details of any collaterals

Investment properties after revaluation amounting to \$5,372,000 at 31 December 2010 (31 December 2009: \$5,781,000) 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 \$2,301,000 (31 December 2009: \$2,508,000) and \$342,771,000 (31 December 2009: \$126,593,000) respectively have been mortgaged to secure borrowings and term loan facilities of the Company and certain subsidiaries. Properties held for sale amounting to \$1,001,525,000 (31 December 2009: \$485,356,000) have also been mortgaged to secure term loan facilities of certain subsidiaries.

1(c) Statement of Cash Flows

**The Group**

	<b>Year Ended</b>	
	31/12/2010	31/12/2009
	\$000	\$000
<u>Cash Flows From Operating Activities</u>		
Profit before Tax	234,463	66,063
Adjustments		
Depreciation of Property, Plant and Equipment	8,223	8,786
Interest Income	(3,633)	(2,478)
Finance Costs	3,835	10,066
Amortisation of Intangible Assets	952	482
Currency Realignment	442	(3,379)
Dividend Income from Investment Securities	(259)	(1,480)
Equity Share Options Issued	125	184
Gain on Disposal of Associates	-	(45)
Gain on Disposal of Property, Plant and Equipment	(335)	(238)
Gain on Held for Trading Investments	(520)	(6,099)
Loss on Disposal of Subsidiary	103	-
Impairment Loss on Property, Plant and Equipment	408	2,096
Impairment of Associate	177	416
Impairment of Property Held for Sale	261	-
Reversal of Impairment Loss on Assets and Disposal Groups		
Held for Sale under FRS 105	-	(604)
Inventories Written-Down	300	110
Reversal of Write-Down of Inventories	-	(414)
Share of (Profit)/ Loss from Equity-Accounted Associates and Joint Ventures	(5,016)	1,218
Net Surplus on Revaluation of Investment Properties	(48,453)	(745)
Unrealised Exchange (Gain)/ Loss	(655)	232
Operating Cash Flows before Changes in Working Capital	<u>190,418</u>	<u>74,171</u>
Changes in Working Capital		
Properties Held for Sale		
- Development Expenditure	(532,816)	(122,992)
- Proceeds from Progress Billings	138,626	62,755
Increase in Trade and Other Payables and Provisions	82,253	20,434
Decrease in Trade and Other Receivables	25,274	131,457
Decrease in Gross Amount due from Customers for Contract Work	3,447	15,400
Decrease/(Increase) in Gross Amount due to Customers for Contract Work	18,390	(8,495)
Decrease in Inventories	561	2,062
Cash Flows (Used In)/ From Operations	<u>(73,847)</u>	<u>174,792</u>
Income Taxes Paid	(10,451)	(2,170)
Finance Costs Paid	(12,554)	(12,796)
Interest Received	3,630	2,478
Net Cash Flows (Used In)/ From Operating Activities	<u>(93,222)</u>	<u>162,304</u>
<u>Cash Flows From Investing Activities</u>		
Acquisition of Intangible Assets	(3,266)	(9,992)
Capital and Development Expenditure	(138,928)	(56,753)
Increase in Amounts Due from Associates and Joint Ventures	(735)	(1,861)
Decrease/(Increase) in Loans to Joint Ventures	12,674	(6,070)

1(c) Statement of Cash Flows (continued)

The Group

	Year Ended	
	31/12/2010	31/12/2009
	\$000	\$000
<u>Cash Flows From Investing Activities (continued)</u>		
Dividends Received from Associates	2,166	205
Dividends Received from Investment Securities	259	1,480
Proceeds from Disposal of Associates	-	480
Proceeds from Disposal of Held For Trading Investments	-	2,625
Proceeds from Disposal of Investment Properties	3,901	2,727
Proceeds from Disposal of Property, Plant and Equipment	5,815	380
Proceeds from Disposal of a Subsidiary, Net of Cash Disposed	1,617	-
Net Cash Flows Used In Investing Activities	<u>(116,497)</u>	<u>(66,779)</u>
<u>Cash Flows From Financing Activities</u>		
Dividends Paid	(23,346)	(17,816)
Dividends Paid to Non-Controlling Interests of a Subsidiary	(3,300)	(292)
(Decrease)/Increase in Trust Receipts and Bills Payable	(66)	743
Increase/(Decrease) in Short-Term Loans	24,887	(63,588)
Contribution from Non-Controlling Interests	350	258
Issuance of Shares upon Exercise of Share Options	548	-
Net Proceeds from Convertible Bonds	-	128,229
Proceeds from Long-Term Loans	282,594	29,201
Repayment of Long-Term Loans	(126,844)	(28,950)
Net Cash Flows From Financing Activities	<u>154,823</u>	<u>47,785</u>
Net (Decrease)/Increase in Cash and Cash Equivalents	(54,896)	143,310
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	<u>307,885</u>	<u>164,575</u>
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance	<u>252,989</u>	<u>307,885</u>
Cash and Cash Equivalents comprise:		
Bank Balances and Deposits	266,625	318,192
Bank Overdrafts	(13,636)	(10,307)
Cash and Cash Equivalents	<u>252,989</u>	<u>307,885</u>

The effect on the individual assets and liabilities arising from the disposal of a subsidiary during the year is set out below:

	Year Ended	
	31/12/2010	31/12/2009
	\$000	\$000
Intangibles	1,521	-
Fixed Assets	41	-
Trade and Other Debtors	259	-
Trade and Other Creditors	(101)	-
Cash and Cash Equivalents	196	-
Net assets of subsidiary disposed of	<u>1,916</u>	<u>-</u>
Total consideration	1,813	-
Cash and Cash Equivalents of subsidiary disposed of	(196)	-
Net cash inflow on disposal of subsidiary	<u>1,617</u>	<u>-</u>

1(d)(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
2010									
Opening Balance at 01/01/2010	883,464	877,925	266,466	551,601	51,537	3,956	(8,830)	13,195	5,539
Profit Net of Tax	187,503	186,152	-	186,152	-	-	-	-	1,351
Other Comprehensive Income for the Year	(8,409)	(8,492)	-	-	(9,183)	-	513	178	83
Total Comprehensive Income for the Year	179,094	177,660	-	186,152	(9,183)	-	513	178	1,434
Ordinary Shares Issued on Conversion of Convertible Bonds Converted into Ordinary Stocks	6,888	6,888	6,888	-	-	-	-	-	-
Ordinary Shares Issued on Exercise of Share Options Converted into Ordinary Stocks	548	548	548	-	-	-	-	-	-
Equity Portion of Convertible Bonds	106	106	-	-	-	-	-	106	-
Equity Share Options Issued	125	125	-	-	-	125	-	-	-
Movement in Non- Controlling Interests Arising from Changes in Shareholding of Subsidiaries	-	3,620	-	-	-	-	-	3,620	(3,620)
Contribution from Non- Controlling Interests	350	-	-	-	-	-	-	-	350
Dividends Paid	(26,646)	(23,346)	-	(23,346)	-	-	-	-	(3,300)
Closing Balance at 31/12/2010	1,043,929	1,043,526	273,902	714,407	42,354	4,081	(8,317)	17,099	403

1(d)(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	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 Converted into Ordinary Stocks	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 Changes in Shareholding of a Subsidiary	(184)	-	-	-	-	-	-	-	(184)
Contribution from Non- Controlling Interests	258	-	-	-	-	-	-	-	258
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(d)(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 01/01/2010	704,146	266,466	414,326	5,279	3,956	14,119
Profit Net of Tax	62,600	-	62,600	-	-	-
Other Comprehensive Income for the Year	(188)	-	-	(188)	-	-
Total Comprehensive Income for the Year	62,412	-	62,600	(188)	-	-
Ordinary Shares Issued on Conversion of Convertible Bonds Converted into Ordinary Stocks	6,888	6,888	-	-	-	-
Ordinary Shares Issued on Exercise of Share Options Converted into Ordinary Stocks	548	548	-	-	-	-
Equity Portion of Convertible Bonds	106	-	-	-	-	106
Equity Share Options Issued	125	-	-	-	125	-
Dividends Paid	(23,346)	-	(23,346)	-	-	-
Closing Balance at 31/12/2010	750,879	273,902	453,580	5,091	4,081	14,225
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 Converted into Ordinary Stocks	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

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

During the year, the Company issued 5,839,874 (2009: 34,221,318) ordinary shares on conversion of \$7,825,461 (2009: \$45,856,607) convertible bonds and 363,000 (2009: nil) options was exercised under the United Engineers Share Option Scheme 2000 (Scheme 2000).

As at 31 December 2010, there were 5,991,150 (31 December 2009: 6,519,200) unexercised options for ordinary shares under Scheme 2000 and \$79,292,531 (31 December 2009: \$87,117,992) convertible bonds which are convertible into 59,173,530 shares (31 December 2009: 65,013,427) at the conversion price of \$1.34 per share.

1(d)(iii) 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.

As at 31 December 2010, the Company's issued and paid-up ordinary share capital excluding treasury shares was 262,048,525 ordinary stock units (31 December 2009: 255,845,651).

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current period reported on.

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

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

Except as disclosed in Note 5 below, the Group and Company have applied the same accounting policies and method of computation in the financial statements for the current financial year compared with those of the audited financial statements as at 31 December 2009.

- 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 Group and Company adopted all the new and revised Singapore Financial Reporting Standards (FRSs) and Interpretations of FRS (INT FRS) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2010, where applicable. The adoption of these standards does not have a material impact on the financial statements of the Group and of the Company as at 1 January 2010.

- 6 Earnings per stock unit (cents)

	Year Ended	
	31/12/2010	31/12/2009
(a) Basic*:	71.7¢	22.1¢
(b) Diluted**:	59.1¢	18.2¢
(c) Weighted average number of stock units used in the computation of basic earnings per stock unit	259,464,992	236,072,133
(d) Weighted average number of stock units used in the computation of diluted earnings per stock unit	<u>319,728,272</u>	<u>303,143,367</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	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Net asset per ordinary stock unit based on the total number of issued shares (excluding treasury shares) of 262,048,525 (2009: 255,845,651)	<u>\$3.98</u>	<u>\$3.43</u>	<u>\$2.87</u>	<u>\$2.75</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 financial period reported on.

#### **Overview**

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

For the year ended 31 December 2010, Revenue increased 28% from \$703.7 million in 2009 to \$901.4 million mainly due to the progressive recognition of revenue from the property sales at *The Rochester* and *Park Central @ AMK*. Arising from the increased revenue, Gross Profit rose 77% to \$286.6 million in 2010. Gross Profit Percentage improved to 31.8% compared with 23.0% in 2009.

Other Income improved 381% from \$10.6 million in 2009 to \$51.1 million mainly due to higher revaluation gains from the Group's investment properties, which was partially offset by lower fair value gains from short-term investments.

Other Expenses increased 13% from \$17.7 million in 2009 to \$19.9 million mainly due to impairment allowance for projects, which was partially offset by a reduction in foreign exchange losses.

Finance Costs decreased 62% from \$10.1 million in 2009 to \$3.8 million mainly due to higher capitalisation of interest expense in 2010 as well as lower interest rates.

Income Tax Expense increased 176% from \$17.0 million in 2009 to \$47.0 million mainly due to higher operating profit and under provision for prior years' income tax.

#### **Attributable Profit**

The Group's **attributable profit** increased to \$186.2 million in 2010 compared with \$52.2 million in 2009.

**Earnings per ordinary stock unit (EPS)** was 71.7 cents in 2010 compared with 22.1 cents in 2009.

**Net asset per ordinary stock unit** stood at \$3.98 as at 31 December 2010 compared with \$3.43 as at 31 December 2009.

## Segment Review

In the **Engineering & Construction (E&C) Division**, revenue decreased 7% to \$396.5 million in 2010 mainly due to continued stringent job selection. Arising from this strategy, gross margin increased 46% to \$68.8 million despite lower turnover. Overall operating profit improved 69% from \$10.7 million to \$18.0 million.

In the **Integrated Facility Management (IFM) Division** (including property development), revenue increased 96% to \$649.7 million in 2010 mainly due to the progressive recognition of revenue from property sales at *The Rochester* and *Park Central @ AMK*. Gross margin increased 92% to \$215.3 million and profit before interest and tax increased 187% to \$220.7 million. Both gross margin and operating profit improved mainly due to the higher revenue.

## Cash Flow and Financial Position Review

As at 31 December 2010, the Group had cash and cash equivalents of \$253 million. In 2010, the Group incurred total development expenditure of \$615 million for the mixed development (including *The Rochester*) in one-north, *Park Central @ AMK* in Ang Mo Kio, *UE BizHub EAST* in Changi Business Park, *Austville Residences* in Sengkang East Avenue/Buangkok Drive and the mixed development at 277 Orchard Road. Apart from the above, the Group's components of cash flow and financial position and changes in these components from 2009 to 2010 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 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.

In January 2011, the Singapore Government announced new measures to curb speculative activities in residential property market. However the construction demand for 2011 continues to remain strong. The Group will continue to execute and bid for building and infrastructure projects over the next 12 months. The outlook for Singapore, where the bulk of the Group's business is based is positive, although its pace of growth will depend on global economic conditions.

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)	5 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)	4 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 20 May 2011.

- (d) Books closure date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members will be closed from 9 May 2011 to 11 May 2011 (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 6 May 2011 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
<b>Year ended 31 December 2010</b>					
<b>Segment Revenue</b>					
Sales to external customers	253,706	647,086	628	-	901,420
Inter-segment sales	142,774	2,577	8,045	(153,396)	-
<b>Total revenue</b>	<b>396,480</b>	<b>649,663</b>	<b>8,673</b>	<b>(153,396)</b>	<b>901,420</b>
Segment result	18,014	220,655	(8,960)	-	229,709
Finance costs					(3,834)
Interest income					3,633
Share of (loss)/profit from equity-accounted associates	(967)	1,002	-	-	35
Share of profit from equity-accounted joint ventures	-	4,920	-	-	4,920
Profit before tax					234,463
Income tax expense					(46,960)
<b>Profit net of tax</b>					<b>187,503</b>
Segment assets	376,574	1,867,684	70,984		2,315,242
Investments in associates	46,556	8,952	132		55,640
Investments in joint ventures	-	36,573	-		36,573
Unallocated assets					2,542
<b>Total assets</b>					<b>2,409,997</b>
Segment liabilities	256,280	93,070	5,585		354,935
Unallocated liabilities					1,011,133
<b>Total liabilities</b>					<b>1,366,068</b>
<b>Other segment information:</b>					
Allowance for doubtful trade receivables	712	503	4	-	1,219
Capital expenditure	15,638	29,358	376	-	45,372
Depreciation and amortisation	6,990	1,738	447	-	9,175
Gain on held for trading investments	520	-	-	-	520
Impairment loss on property, plant and equipment	408	-	-	-	408
(Deficit)/Surplus on revaluation of investment properties	(83)	48,536	-	-	48,453

13 Business segments (continued)

	Engineering and Construction \$000	Integrated Facility Management \$000	Corporate Services & Others \$000	Elimination \$000	Total \$000
<b>Year ended 31 December 2009</b>					
<b>Segment Revenue</b>					
Sales to external customers	372,129	330,483	1,120	-	703,732
Inter-segment sales	53,360	1,224	8,083	(62,667)	-
<b>Total revenue</b>	<b>425,489</b>	<b>331,707</b>	<b>9,203</b>	<b>(62,667)</b>	<b>703,732</b>
<b>Segment result</b>	<b>10,678</b>	<b>76,883</b>	<b>(12,692)</b>	<b>-</b>	<b>74,869</b>
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)
<b>Profit net of tax</b>					<b>49,035</b>
<b>Segment assets</b>	<b>315,669</b>	<b>1,336,529</b>	<b>170,975</b>	<b>-</b>	<b>1,823,173</b>
Investments in associates	56,098	7,498	129	-	63,725
Investments in joint ventures	-	43,410	-	-	43,410
Unallocated assets					6,576
<b>Total assets</b>					<b>1,936,884</b>
<b>Segment liabilities</b>	<b>201,195</b>	<b>46,167</b>	<b>6,335</b>	<b>-</b>	<b>253,697</b>
Unallocated liabilities					799,723
<b>Total liabilities</b>					<b>1,053,420</b>
<b>Other segment information:</b>					
Allowance for doubtful trade receivables	717	71	-	-	788
Capital expenditure	9,342	448	2,806	-	12,596
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

13 Geographical segments

	Revenues		Non-current assets	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Singapore	727,851	495,239	1,103,488	925,850
Other Asean Countries	109,604	130,941	22,106	25,753
Other Asian Countries	63,650	76,107	30,505	29,592
Others	315	1,445	--	--
	<u>901,420</u>	<u>703,732</u>	<u>1,156,099</u>	<u>981,195</u>

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:

	31/12/2010	31/12/2009	%
	\$000	\$000	Increase
(a) Sales reported for first half year	418,777	316,050	33
(b) Operating profit after tax before deducting Non-Controlling Interests reported for first half year	64,278	20,474	214
(c) Sales reported for second half year	482,643	387,682	24
(d) Operating profit after tax before deducting Non-Controlling Interests reported for second half year	<u>123,225</u>	<u>28,561</u>	<u>331</u>

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

Dividend, paid

	2010	2009
	\$000	\$000
Ordinary	23,280	17,750
Preference	66	66
Total	<u>23,346</u>	<u>17,816</u>

BY ORDER OF THE BOARD  
 Jeslyn Heng Fook Pyng  
 Secretary  
 1 March 2011