

**Full Year Financial Statement And Dividend Announcement for the Year Ended 31 December 2005**

**FEDERAL INTERNATIONAL (2000) LTD**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<-----Group----->		
	S\$ ' 000		%
	YEAR ENDED	YEAR ENDED	
	Dec 2005	Dec 2004	Change
<b>Revenue</b>	90,897	111,624	-18.57%
<b>Cost of Sales</b>	(70,395)	(90,342)	-22.08%
<b>Gross Profit</b>	20,502	21,282	-3.67%
<b>Other Income</b>	2,544	7,925	-67.90%
<b>Selling and Distribution costs</b>	(9,297)	(10,357)	-10.23%
<b>Administrative and General costs</b>	(7,123)	(7,148)	-0.35%
<b>Finance costs</b>	(1,295)	(1,541)	-15.96%
<b>Share of results of associates</b>	1,185	(3,972)	NM
<b>Profit before taxation and minority interest</b>	6,516	6,189	5.28%
<b>Tax expense</b>	(1,348)	(1,271)	6.06%
<b>Profit for the year</b>	5,168	4,918	5.49%
Attributable to:			
<b>Equity holders of the company</b>	5,078	4,899	
<b>Minority Interests</b>	90	19	
	5,168	4,918	

S\$ ' 000		%
YEAR ENDED	YEAR ENDED	
Dec 2005	Dec 2004	Change

Profit before taxation included the following (charges)/credits:

Interest income	868	582	49.14%
Interest on borrowings	(1,295)	(1,541)	-15.96%
Depreciation and amortisation	(802)	(1,481)	-45.85%
Amortisation of negative goodwill	-	899	NM
Provision for doubtful debts (trade)	(526)	(444)	18.47%
Provision for doubtful debt (non-trade)	(21)	(28)	-25.00%
Provision for stock obsolescence	(234)	(203)	15.27%
Gain on disposal of investments	363	1,103	-67.00%
Gain on disposal of fixed assets	73	3,782	-98.07%
Foreign exchange gain	935	140	567.86%
Adjustments for (under) or overprovision of current taxation	(54)	357	-115.13%
Adjustments for under provision of deferred taxation	(93)	(91)	2.20%

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

Group		Company	
S\$ ' 000		S\$ ' 000	
Dec 05	Dec 04 (Restated )	Dec 05	Dec 04

**Long-term assets**

Fixed assets	10,484	10,915	3	-
Subsidiary companies	-	-	30,832	28,706
Associated companies	5,247	964	4,266	1,116
Other investments	20	1,177	-	1,157
Other debtors	180	236	-	-
Deferred tax assets	16	166	16	16
Goodwill	1,365	1,333	-	-
Development costs	240	388	-	-
	<b>17,552</b>	<b>15,179</b>	<b>35,117</b>	<b>30,995</b>

**Current assets**

Stocks and work-in-progress	24,222	26,157	-	-
Trade debtors	28,450	21,701	-	-
Other debtors	6,192	18,889	1,274	-
Amounts due from subsidiary companies, non-trade	-	-	10,169	17,219
Amounts due from associated companies	15,984	23,034	108	159
Amounts due from related parties	168	379	-	-
Fixed deposits	6,581	1,706	-	-
Cash and bank balances	11,193	2,910	408	12
	<b>92,790</b>	<b>94,776</b>	<b>11,959</b>	<b>17,390</b>

**Current liabilities**

Trade creditors and accruals	11,428	14,189	365	785
Other creditors	5,415	887	3	-
Amount due to subsidiary company	-	-	9	1
Amounts due to associated companies	667	800	2	1
Amounts due to bankers	28,671	22,290	-	-
Term loans	34	14,091	-	-
Hire purchase creditors	64	127	-	-
Provision for taxation	1,756	1,591	14	66

	48,035	53,975	393	853
<b>Net current assets</b>	44,755	40,801	11,566	16,537

**Long-term liabilities**

Term loans	36	61	-	-
Hire purchase creditors	127	137	-	-
Deferred tax liability	99	20	-	-
	262	218	-	-

<b>Net assets</b>	62,045	55,762	46,683	47,532
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**Equity attributable to equity holders of the company**

Share capital	35,066	35,049	35,066	35,049
Share premium	3,371	3,363	3,371	3,363
Revaluation reserve	2,398	2,398	-	-
Warrants reserve	2,436	2,462	2,436	2,462
Foreign currency translation	5	(287)	-	-
Revenue reserves	16,940	12,671	5,810	6,658
	60,216	55,656	46,683	47,532
<b>Minority interests</b>	1,829	106	-	-
<b>Total equity</b>	62,045	55,762	46,683	47,532

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.  
Amount repayable in one year or less, or on demand**

As at 31/12/2005		As at 31/12/2004	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
14,850	13,897	18,575	17,933

**Amount repayable after one year**

As at 31/12/2005		As at 31/12/2004	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
149	36	137	61

**Details of any collateral**

The secured borrowings are secured by the Company's property at 11 Tuas Avenue 1, Singapore 639496.

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

	<b>Jan- Dec 2005</b>	<b>Jan- Dec 2004</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cashflows from operating activities:</b>		
Operating profit before taxation	6,516	6,189
Add / (Less) :		
Amortisation of goodwill	-	223
Amortisation of intangible assets	119	100
Amortisation of negative goodwill	-	(899)
Currency realignment	373	(106)
Depreciation of fixed assets	683	1,158
Loss on partial sale of interest in a subsidiary company	54	-
Gain on disposal of investment	(417)	-
Gain on disposal of investment in associated company	-	(1,103)
Gain on disposal of fixed assets	(73)	(3,782)
Interest income	(868)	(582)
Interest expense	1,295	1,541
Provision for doubtful debts	547	472
Bad debt written off	-	3
Stocks written off	-	5
Provision for stock obsolescence	234	203
Share of associated companies' (profits)/losses	(1,185)	3,972
Stock loss	2	-
<b>Operating income before reinvestment in working capital</b>	<b>7,280</b>	<b>7,394</b>
Inflow / (Outflow) :		
Decrease in stocks	1,699	731
Increase in trade debtors	(7,275)	(1,439)
Decrease in other debtors	14,026	5,843
Decrease in amounts due from associated companies	7,231	11,216
Decrease in amounts due from related parties	211	49
Decrease in trade creditors and accruals	(2,761)	(3,649)
Increase/(Decrease) in other creditors	4,528	(3,344)
Increase/(Decrease) in trust receipts and bills payable	12,223	(16,586)
(Decrease)/Increase in amounts due to associated companies	(133)	40
Decrease in amounts due to related parties	-	(4)
<b>Cash generated from operations</b>	<b>37,029</b>	<b>251</b>

Income tax paid	(954)	(1,819)
Interest received	666	1,400
Interest paid	(1,295)	(1,541)
<b>Net cash generated from/(used in) operating activities</b>	<b>35,446</b>	<b>(1,709)</b>
<b>Cashflows from investing activities</b>		
Inflow / (Outflow) :		
Purchase of fixed assets	(329)	(14,655)
Proceeds from dilution of interest in subsidiary	50	-
Proceeds from sale of fixed assets	121	1,888
Investment in associated companies	(3,150)	(234)
Proceeds from disposal of investment in associated company	-	473
Purchase of investment	-	(1,157)
Purchase of Intangible assets	-	(123)
Decrease/(Increase) in fixed deposit pledged	1,438	(1,637)
Proceeds from disposal of other investment	315	-
<b>Net cash used in investing activities</b>	<b>(1,555)</b>	<b>(15,445)</b>
<b>Cashflows from financing activities</b>		
Inflow / (Outflow) :		
Dividend payment in respect of prior year	(841)	(841)
(Decrease)/Increase in secured bank overdrafts	(3,708)	2,890
Proceeds from issuance of warrants	-	2,804
Expenses arising from warrants issued	(19)	(342)
Proceeds from issuance of shares on exercise of warrants	3	-
Principal repayments under finance lease	(73)	(204)
(Repayments of)/Proceeds from additional term loans	(14,082)	9,254
Capital contribution from minority shareholders of a subsidiary	1,558	-
<b>Net cash (used in) provided by financing activities</b>	<b>(17,162)</b>	<b>13,561</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>16,729</b>	<b>(3,593)</b>
Cash and cash equivalents at beginning of year	565	4,158
Cash and cash equivalents at end of year	17,294	565

**1(d)(i) A statement (for the issuer and 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 the equity holders of the company							Minority interests	Total equity
	Share capital	Share premium	Warrants reserve	Revenue reserves	Currency translation reserve	Revaluation reserve	Total reserves		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
<b>The Group</b>									
Balance as at 1 January 2004	35,049	3,363	-	8,613	(198)	2,398	10,813	69	49,294
Net effect of exchange differences	-	-	-	-	(89)	-	(89)	18	(71)
Net income recognised directly in Equity	-	-	-	-	(89)	-	(89)	18	(71)
Profit for the year	-	-	-	4,899	-	-	4,899	19	4,918
Total recognised income and expenses for the year	-	-	-	4,899	-	-	4,899	19	4,918
Dividends on ordinary shares	-	-	-	(841)	-	-	(841)	-	(841)
Proceeds from issuance of warrants	-	-	2,804	-	-	-	2,804	-	2,804
Expenses on issuance of warrants	-	-	(342)	-	-	-	(342)	-	(342)
<b>Balance as at 31 December 2004</b>	<b>35,049</b>	<b>3,363</b>	<b>2,462</b>	<b>12,671</b>	<b>(287)</b>	<b>2,398</b>	<b>17,244</b>	<b>106</b>	<b>55,762</b>
Balance as at 31 December 2004 as previously reported	35,049	3,363	2,462	12,671	(287)	2,398	17,244	106	55,762
Effect of adopting FRS103	-	-	-	32	-	-	32	-	32
At 1 January 2005 as restated	35,049	3,363	2,462	12,703	(287)	2,398	17,276	106	55,794
Net effect of exchange differences	-	-	-	-	292	-	292	75	367
Net income recognised directly equity	-	-	-	-	292	-	292	75	367
Profit for the year	-	-	-	5,078	-	-	5,078	90	5,168
Total recognised income and expenses for the year	-	-	-	5,078	-	-	5,078	90	5,168
Dividends on ordinary shares	-	-	-	(841)	-	-	(841)	-	(841)
Issuance of shares on exercise of warrants	17	1	-	-	-	-	-	-	18
Transfer from warrants reserve as a result of exercise of warrants	-	7	(7)	-	-	-	(7)	-	-
Expenses on issuance of warrants	-	-	(19)	-	-	-	(19)	-	(19)
Incorporation of a subsidiary	-	-	-	-	-	-	-	1,558	1,558
<b>Balance as at 31 December 2005</b>	<b>35,066</b>	<b>3,371</b>	<b>2,436</b>	<b>16,940</b>	<b>5</b>	<b>2,398</b>	<b>21,779</b>	<b>1,829</b>	<b>62,045</b>

Attributable to the equity holders of the company					Total equity
Share capital	Share premium	Warrants reserve	Revenue reserves	Total reserves	
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000

### The Company

Balance as at 1 January 2004	35,049	3,363	-	7,808	7,808	46,220
Loss for the year	-	-	-	(309)	(309)	(309)
Total recognised income and expenses for the year	-	-	-	(309)	(309)	(309)
Dividends on ordinary shares	-	-	-	(841)	(841)	(841)
Proceeds from issuance of warrants	-	-	2,804	-	2,804	2,804
Expenses on issuance of warrants	-	-	(342)	-	(342)	(342)
<b>Balance as at 31 December 2004</b>	<b>35,049</b>	<b>3,363</b>	<b>2,462</b>	<b>6,658</b>	<b>9,120</b>	<b>47,532</b>
			-		-	
Balance as at 1 January 2005	35,049	3,363	2,462	6,658	9,120	47,532
Loss for the year	-	-	-	(7)	(7)	(7)
Total recognised income and expenses for the year	-	-	-	(7)	(7)	(7)
Dividends on ordinary shares	-	-	-	(841)	(841)	(841)
Issuance of shares on exercise of warrants	17	1	-	-	-	18
Transfer from warrants reserve as a result of exercise of warrants	-	7	(7)	-	(7)	-
Expenses on issuance of warrants	-	-	(19)	-	(19)	(19)
<b>Balance as at 31 December 2005</b>	<b>35,066</b>	<b>3,371</b>	<b>2,436</b>	<b>5,810</b>	<b>8,246</b>	<b>46,683</b>



- 1(d)(ii) Details of any changes in the company's share capital arising from rights 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 the outstanding convertibles 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 the year, the Company issued 86,000 ordinary shares of \$0.20 each upon the exercise of 86,000 warrants at the exercise of \$0.22 per share. 32,300,472 warrants remaining unexercised at the date of this announcement.

- 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 auditors.

- 3. Where 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.**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements for the year ended 31 December 2004.

- 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.**

With effect from 1 January 2005, the Group changed its accounting policy with respect to the treatment on amortisation of goodwill in order to conform with the new requirements of FRS103 "Business Combinations", which is effective for financial periods beginning on or after 1 July 2004.

The effects arising from the adoption of the above FRS are summarised in the statement of changes in equity in paragraph 1(d)(i).

Apart from the above, the Company adopted the following standards mandatory for annual financial periods beginning on or after 1 January 2005:

- FRS 39, Financial Instruments: Recognition and Measurement
- FRS 36 (revised), Impairment of Assets
- FRS 1 (revised), Presentation of Financial Statements
- FRS 8 (revised), Accounting Policies, Changes in Accounting Estimates and Errors
- FRS 10 (revised), Events after the Balance Sheet Date
- FRS 16 (revised), Property, Plant and Equipment
- FRS 17 (revised), Leases
- FRS 24 (revised), Related Party Disclosures
- FRS 27 (revised), Consolidated and Separate Financial Statements
- FRS 28 (revised), Investments in Associates
- FRS 32 (revised), Financial Instruments: Disclosure and Presentation

The adoption of these standards did not result in any significant change in accounting policies and are assessed to have no material impact on the results of the Group.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group	
	Dec 05	Dec 04
(i) Based on the weighted average number of ordinary shares on issue	2.90 cents	2.80 cents
(ii) On a fully diluted basis	2.74 cents	2.54 cents

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

	Group		Company	
	Dec 05	Dec 04	Dec 05	Dec 04
Net asset value per ordinary share as at the end of the year	34.34 cents	31.76 cents	26.63 cents	27.12 cents

**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 turnover, 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.

Group turnover for the full year ended 31 December 2005 (FY2005) was \$90.9 million, representing a dip of 18.5% from \$111.6 million for the corresponding period last year. The fall in turnover in FY2005 was partly due to the management being more selective in participating in Engineering, Procurement and Construction projects from Indonesia and partly due to a slow-down in sales in the China market.

Profit attributable to shareholders stood at \$5.0 million, which was slightly higher than the \$4.9 million recorded in FY2004. It is to be noted that for FY2004, there was a share of losses in associates amounting to \$4.0 million and there was also other income amounting to \$4.7 million from the disposal of a 50% stake in Shanghai KVC Valve Co. Ltd and the sale of an accommodation cum work barge. Our 20%-owned associated company, PT Gunanusa Utama has since turned around in the current financial year. The increase in profits also reflects the Group's successful efforts in controlling its operating expenses, including selling and distribution costs, and administrative and general costs.

In terms of segmental contribution to revenue, the Flow line Control Division contributed \$74.0 million, down 18.2% from FY2004, which is in line with the reduced revenue. Sales for Oilfield Drilling Division registered a 9.4% increase to \$13.0 million – which accounted for 14.3% of total revenue – due to royalties garnered by sales from a US-incorporated

subsidiary, HP&T Products Inc., as its patented, specialised valves have gained increasing market acceptance. Sales from the Corporate/Others segment fell 90.4% to \$0.6 million as there was no hire chartering income in FY2005 as a result of the accommodation cum work barge being sold in end 2004.

Geographically, Indonesia remained the biggest market, accounting for \$24.4 million or 26.9% of total sales. However, on a year-on-year basis, the revenue contribution from this market fell 33.6%. Singapore market was the second largest contributor, having contributed \$21.1 million in sales. The China market, which was the third largest, contributed \$13.1 million, down 58.0% over FY2004.

The other markets – Thailand, UAE and Malaysia – have registered revenue growth of 290.9%, 169.4% and 10.8% respectively over FY2004.

Increase in investment in associated companies in FY2005 was due to new investments in Sapex International Pte. Ltd. and Uni-Bulk HK Ltd, as well as capital injections in Federal JWR Energy Pte Ltd and FLZ Marine Pte Ltd which were incorporated in the prior year.

During the year, the remaining balances of the consideration from the disposal of the barge and the investment in Shanghai KVC Valve Co Ltd in FY2004 totalling \$17.9 million had been received and were used to discharge all the short-term loans and some portion of the amounts due to bankers. In addition, payments from our associated companies of approximately \$7.0 million were received during the year. Consequently, the cash position of the Group had improved significantly with a cash and cash equivalent balance of \$17.3 million at the financial year-end.

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

The results are in line with the prospect statement made in the half year results dated 10 August 2005.

**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.**

During the financial year ended 31 December 2005 (FY2005), the Group continued with its strategy to streamline and consolidate its businesses, while forging joint ventures with strategic partners in Asia to tap new business opportunities in the regional oil and gas industry, and thus diversify its earnings base.

Joint ventures were established with Longzhu Oilfield Services Limited and Sapex Oilfield Ltd to tap the growing business opportunities in the marine logistics and offshore oil and gas sector, as well as the oilfield drilling market in the Asia Pacific region. We also formed a strategic alliance with strategic partners to take advantage of growth potential of the oilfield equipment and valves market in Brunei. In addition, we also formed a joint venture, Uni-Bulk Hong Kong Limited to tap the marine solutions expertise of our strategic partner, Uni-Bulk Holdings. This joint venture would operate through its wholly owned subsidiaries, FTU Lines Pte. Limited, an asset holding company owning specialised vessels for deployment in the marine infrastructure sector and FTU Services Pte. Limited, which specialises in the provision of marine solutions to marine infrastructure companies.

Looking ahead, we are confident that the current financial year will be a better year for the Group, as we are poised to leverage on our strategic alliances as mentioned in the preceding paragraph. Our confidence is underpinned by the fact that in the first two months of this current financial year, we have already bagged two major contracts from Indonesia – an integrated drilling project management contract worth US\$24.0 million and a 10-year time charter contract worth US\$91.3 million. We have stepped up our marketing activities to deepen and widen our market presence, and clinch more projects in the Indonesian market. Furthermore, as at 12 January 2006, the Company had allotted and issued 42,000,000 new

ordinary shares in the capital of the Company at \$0.33 per share to two Indonesian strategic investors.

In addition, we expect increased sales of the Group's own proprietary products in existing and new markets. Revenue of US-based subsidiary HP&T Products Inc. which had reported an improvement in sales and profits in FY2005, and KVC(UK) Ltd, incorporated in UK, with an order book of £3.5million from Europe market, are expected to further improve in the current financial year. The associated companies would also enhance the net profit of the Group with Federal's 50%-owned company, F.I (Aust) Pty Ltd, aggressively tapping into the Australian offshore and gas market and our 40%-owned company, Federal JWR Energy Pte Ltd, undertaking projects relating to production facilities for oil and gas.

## 11. Dividend

### ***(a) Current Financial Period Reported On***

Any dividend declared for the current financial period reported on?

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	0.8 cents per ordinary share (less tax)
Tax Rate	20%

### ***(b) Corresponding Period of the Immediately Preceding Financial Year***

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	0.6 cents per ordinary share (less tax)
Tax Rate	20%

### **(c) Date payable**

To be advised.

### **(d) Books closure date**

To be advised.

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

NA

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**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.**

Flowline Control		Oilfield Drilling		Fire Protection		Corporate /others		Eliminations		CONSOLIDATED	
2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000

**REVENUE**

External sales	74,042	90,468	13,027	11,910	3,222	2,935	606	6,311	-	-	90,897	111,624
Inter-segment sales	1,035	603	-	-	8	25	1,963	2,271	(3,006)	(2,899)	-	-
<b>Total revenue</b>	<b>75,077</b>	<b>91,071</b>	<b>13,027</b>	<b>11,910</b>	<b>3,230</b>	<b>2,960</b>	<b>2,569</b>	<b>8,582</b>	<b>(3,006)</b>	<b>(2,899)</b>	<b>90,897</b>	<b>111,624</b>

**RESULT**

Segment result	4,185	5,461	1,505	628	(245)	(265)	(488)	2,920	438	1,273	5,395	10,017
Interest income											868	582
Finance cost											(1,295)	(1,541)
(Loss) / gain on disposal of investment											363	1,103
Share of profits /(losses) of unconsolidated associates											1,185	(3,972)
Profit before taxation											6,516	6,189
Tax expense											(1,348)	(1,271)
<b>Profit for the year</b>											<b>5,168</b>	<b>4,918</b>

China	Indonesia	Malaysia	Singapore	India	UAE	Thailand	USA	UK	Others	Elimination	Total
2005	2005	2005	2005	2005	2005	2005	2005	2005	2005	2005	2005
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000

**REVENUE**

External sales	13,103	24,428	3,826	21,078	1,219	3,960	8,017	3,886	1,661	9,719	-	90,897
Inter-segment sales	2,237	-	-	5,566	-	-	1,035	729	-	12	(9,579)	-
<b>Total revenue</b>	<b>15,340</b>	<b>24,428</b>	<b>3,826</b>	<b>26,644</b>	<b>1,219</b>	<b>3,960</b>	<b>9,052</b>	<b>4,615</b>	<b>1,661</b>	<b>9,731</b>	<b>(9,579)</b>	<b>90,897</b>

China	Indonesia	Malaysia	Singapore	India	UAE	Thailand	USA	UK	Others	Elimination	Total
2004	2004	2004	2004	2004	2004	2004	2004	2004	2004	2004	2004
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000

**Segment Revenue**

External sales	31,183	36,769	3,452	17,807	1,485	1,470	2,051	3,638	4,572	9,197	-	111,624
Inter-segment sales	51	-	-	6,666	-	-	603	487	501	4	(8,312)	-
<b>Total revenue</b>	<b>31,234</b>	<b>36,769</b>	<b>3,452</b>	<b>24,473</b>	<b>1,485</b>	<b>1,470</b>	<b>2,654</b>	<b>4,125</b>	<b>5,073</b>	<b>9,201</b>	<b>(8,312)</b>	<b>111,624</b>

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.

NA

15. A breakdown of sales.

	<-----Group----->		
	S\$ ' 000		%
	Dec-05	Dec 04	Change
Sales reported for the first half year	37,160	69,398	-46.45%
Operating profit/loss after tax before deducting minority interests reported for the first half year	2,495	1,894	31.73%
Sales reported for the second half year	53,737	42,226	27.26%
Operating profit/loss after tax before deducting minority interests reported for the second half year	2,673	3,024	-11.61%

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

	Latest Full Year (S\$)	Previous Full Year (S\$)
Ordinary	1,407,950	841,171
Preference	-	-
Total:	1,407,950	841,171

BY ORDER OF THE BOARD

Chng Geok  
Company Secretary  
27 February 2006