SWIBER HOLDINGS LIMITED

(Incorporated in Singapore)

(Company Registration Number :200414721N)

Financial Statement for the Year Ended 31 December 2008

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

	GROUP			GROUP		
	4th Qtr of 2008	4th Qtr of 2007	+ / (-)	FY 2008	FY 2007	+ / (-)
	US$'000	US$'000	%	US$'000	US$'000	%
REVENUE	**102,941**	**61,085**	68.5	**428,438**	**151,177**	183.4
Cost of sales	(115,265)	(46,469)	148.0	(364,093)	(108,338)	236.1
GROSS PROFIT / (LOSS)	**(12,324)**	**14,616**	**(184.3)**	**64,345**	**42,839**	**50.2**
Other operating income	13,645	13,623	0.2	21,525	28,147	(23.5)
Administrative expenses	(6,014)	(6,399)	(6.0)	(28,032)	(16,638)	68.5
Other operating expenses	(3,610)	(192)	nm	(4,311)	(274)	nm
Share of profit of associate and joint venture	1,113	449	147.9	2,839	1,673	69.7
Finance costs	(2,736)	(1,633)	67.5	(11,131)	(3,736)	197.9
Profit / (Loss) before tax	**(9,926)**	**20,464**	**(148.5)**	**45,235**	**52,011**	**(13.0)**
Income tax expense	(1,334)	(245)	444.5	(5,747)	(2,305)	149.3
Profit / (Loss) after tax	(11,260)	20,219	(155.7)	39,488	49,706	(20.6)
Attributable to :						
Equity holders of the company	**(8,339)**	**20,001**	(141.7)	**38,817**	**49,669**	(21.8)
Minority interest	(2,921)	218	nm	671	37	nm
	(11,260)	**20,219**	**(155.7)**	**39,488**	**49,706**	**(20.6)**

nm : not meaningful

Notes

The Group's profit / (loss) before tax is arrived at after (charging)/crediting the following :	GROUP		GROUP	
	4th Qtr of 2008	4th Qtr of 2007	FY 2008	FY 2007
	US$'000	US$'000	US$'000	US$'000
Interest income	184	830	832	1,549
Interest on borrowings	(2,748)	(1,488)	(9,830)	(3,035)
Depreciation	(3,189)	(1,174)	(8,656)	(2,675)
Provision for doubtful debts	(4,043)	(55)	(4,043)	(55)
Foreign exchange gain /(loss)	4,637	(396)	4,186	283
Negative goodwill written off	-	-	-	2,018
Plant and equipment written off	(10)	(72)	(10)	(72)
Gain on disposal of property, plant and equipment	1,115	-	3,377	2,381
Gain on disposal of assets held for sale	7,779	13,241	12,279	21,686

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	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
	US$'000	US$'000	US$'000	US$'000
ASSETS				
Current assets :				
Cash and bank balances	74,669	97,686	3,524	24,451
Trade receivables	61,986	44,930	-	-
Engineering work-in-progress in excess of progress billings	135,171	55,784	-	-
Inventory	4,905	224	-	-
Other receivables	59,686	26,067	1,458	815
Amount due from subsidiaries	-	-	191,265	128,566
Assets held for sale	56,354	10,919	-	-
Total current assets	392,771	235,610	196,247	153,832
Non-current assets :				
Property, plant and equipment	282,455	112,900	1,810	1,643
Subsidiaries	-	-	131,688	33,635
Associate	4,181	3,698	-	-
Joint venture	9,234	4,448	-	-
Deferred tax assets	25	18	-	-
Other receivables	16,915	11,591	432	339
Derivative financial instruments	-	1,762	-	1,762
Other assets	31	13	-	-
Total non-current assets	312,841	134,430	133,930	37,379
Total assets	**705,612**	**370,040**	**330,177**	**191,211**
LIABILITIES AND EQUITY				
Current liabilities:				
Bank loans	68,507	14,434	-	-
Bonds	11,904	-	11,904	-
Trade payables	92,473	43,946	574	-
Other payables	110,479	49,221	5,999	7,561
Current portion of finance leases	701	80	39	39
Amount due to subsidiaries	-	-	59,688	2
Income tax payable	3,041	2,049	-	-
Total current liabilities	287,105	109,730	78,204	7,602
Non-current liabilities:				
Bank loans	57,700	10,122	-	-
Bonds	143,194	71,147	143,194	71,147
Finance leases	2,086	617	217	317
Employee benefits liabilities	49	67	-	-
Deferred tax liabilities	3,540	878	-	-
Derivative financial instruments	4,867	-	4,867	-
Total non-current liabilities	211,436	82,831	148,278	71,464
Capital, reserves and minority interest:				
Share capital	108,205	108,205	108,205	108,205
Treasury shares	(2,507)	-	(2,507)	-
Hedging reserve	(4,867)	1,762	(4,867)	1,762
Translation reserve	(251)	452	-	-
Retained earnings	105,270	66,453	2,864	2,178
Equity attributable to equity holders of the Company	205,850	176,872	103,695	112,145
Minority interests	1,221	607	-	-
Total equity	207,071	177,479	103,695	112,145
Total liabilities and equity	**705,612**	**370,040**	**330,177**	**191,211**

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

Amount repayable in one year or less, or on demand			
As at 31/12/2008		As at 31/12/2007	
Secured (US$'000)	Unsecured (US$'000)	Secured (US$'000)	Unsecured (US$'000)
19,208	61,904	14,514	-

Amount repayable after one year			
As at 31/12/2008		As at 31/12/2007	
Secured (US$'000)	Unsecured (US$'000)	Secured (US$'000)	Unsecured (US$'000)
59,786	143,194	10,739	71,147

Details of any collateral :

The Group's borrowings are secured by way of :

1. Legal mortgage over certain vessels / assets
2. Corporate guarantees from Swiber Holdings Limited (for certain loans)

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

	GROUP	
	FY 2008 US$'000	FY 2007 US$'000
Cash flows from operating activities		
Profit before tax	45,235	52,011
Adjustments for :		
Interest income	(832)	(1,549)
Allowance for doubtful debts	4,043	55
Finance costs	11,131	3,736
Depreciation of property, plant and equipment	8,656	2,675
Plant and equipment written off	10	72
Gain on disposal of property, plant and equipment	(3,377)	(2,381)
Gain on disposal of assets held for sale	(12,279)	(21,686)
Provision for employee benefit	(18)	27
Negative goodwill	-	(2,018)
Share of profit of associate and joint venture	(2,839)	(1,673)
Operating cash flows before movement in working capital	**49,730**	**29,269**
Trade receivables	(21,099)	(21,382)
Engineering work-in-progress in excess of progress billings	(79,387)	(47,915)
Inventory	(4,681)	164
Other receivables	(38,942)	(33,843)
Other assets	(18)	2
Trade payables	48,526	23,684
Other payables	61,258	37,664
Cash generated from / (used in) operations	**15,387**	**(12,357)**
Income taxes paid	(2,099)	(742)
Interest paid	(11,131)	(3,736)
Net cash generated from / (used in) operating activities	**2,157**	**(16,835)**
Cash flow from investing activities:		
Interest received	832	1,549
Proceeds on disposal of property, plant and equipment	19,475	24,350
Proceeds on disposal of assets held for sale	34,706	99,050
Purchases of plant and equipment	(226,259)	(92,051)
Additions to assets held for sale	(33,112)	(84,719)
Minority interest contribution for share capital of subsidiary	48	-
Investment in subsidiary	-	(5,206)
Investment in associate	(156)	-
Investment in joint venture	(2,274)	(1,818)
Net cash used in investing activities	**(206,740)**	**(58,845)**
Cash flow from financing activities:		
Repayment of bank loans	(133,426)	(19,533)
Pledged deposits	8,472	(13,008)
Proceeds on issue of bonds	92,282	71,147
Proceed on issue of shares	-	78,569
Purchase of treasury shares	(2,507)	-
Share issue expenses	-	(1,998)
Repayment of obligations under finance leases	(721)	(15)
Redemption of bonds	(8,331)	-
New bank loans raised	235,077	33,304
Net cash from financing activities	**190,846**	**148,466**
Net (decrease) / increase in cash and cash equivalents	**(13,737)**	**72,786**
Cash and cash equivalents at beginning of the year	82,632	9,443
Effects of exchange rate changes on the balance of cash held in foreign currencies	(808)	403
Cash and cash equivalents at end of the year	**68,087**	**82,632**
Cash and cash equivalents consist of:		
Cash at bank	66,216	60,530
Cash on hand	50	25
Fixed deposits	8,403	37,131
	74,669	**97,686**
Less: Pledged deposits	(6,582)	(15,054)
Total	**68,087**	**82,632**

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.**

	Share capital	Treasury shares	Hedging reserve	Translation reserve	Retained earnings	Equity attributable to equity holders of the company	Minority interests	Total equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
GROUP								
Balance at 1 January 2007	31,634	-	-	49	16,784	48,467	578	49,045
Profit for the year	-	-	-	-	49,669	49,669	37	49,706
Exchange differences arising on translation of foreign operations	-	-	-	403	-	403	(18)	385
Total recognised income and expenses for the year	**-**	**-**	**-**	**403**	**49,669**	**50,072**	**19**	**50,091**
Issue of shares pursuant to Private Placement	78,569	-	-	-	-	78,569	-	78,569
Share issue expenses	(1,998)	-	-	-	-	(1,998)	-	(1,998)
Acquisition of interests in subsidiaries	-	-	-	-	-	-	10	10
Gain on cashflow hedges	-	-	1,762	-	-	1,762	-	1,762
Balance at 31 December 2007	**108,205**	**-**	**1,762**	**452**	**66,453**	**176,872**	**607**	**177,479**
Balance at 1 January 2008	108,205	-	1,762	452	66,453	176,872	607	177,479
Profit for the year	-	-	-	-	38,817	38,817	671	39,488
Exchange differences arising on translation of foreign operations	-	-	-	(703)	-	(703)	(105)	(808)
Total recognised income and expenses for the year	**-**	**-**	**-**	**(703)**	**38,817**	**38,114**	**566**	**38,680**
Loss on cashflow hedges	-	-	(6,629)	-	-	(6,629)	-	(6,629)
Acquisition of interests in subsidiaries	-	-	-	-	-	-	48	48
Repurchase of shares	-	(2,507)	-	-	-	(2,507)	-	(2,507)
Balance at 31 December 2008	**108,205**	**(2,507)**	**(4,867)**	**(251)**	**105,270**	**205,850**	**1,221**	**207,071**
COMPANY								
Balance at 1 January 2007	31,634	-	-	-	1,756	33,390	-	33,390
Profit for the year	-	-	-	-	422	422	-	422
Total recognised income and expenses for the year	**-**	**-**	**-**	**-**	**422**	**422**	**-**	**422**
Issue of shares pursuant to Private Placement	78,569	-	-	-	-	78,569	-	78,569
Share issue expenses	(1,998)	-	-	-	-	(1,998)	-	(1,998)
Gain on cashflow hedges	-	-	1,762	-	-	1,762	-	1,762
Balance at 31 December 2007	**108,205**	**-**	**1,762**	**-**	**2,178**	**112,145**	**-**	**112,145**
Balance at 1 January 2008	108,205	-	1,762	-	2,178	112,145	-	112,145
Profit for the year	-	-	-	-	686	686	-	686
Total recognised income and expenses for the year	**-**	**-**	**-**	**-**	**686**	**686**	**-**	**686**
Loss on cashflow hedges	-	-	(6,629)	-	-	(6,629)	-	(6,629)
Repurchase of shares	-	(2,507)	-	-	-	(2,507)	-	(2,507)
Balance at 31 December 2008	**108,205**	**(2,507)**	**(4,867)**	**-**	**2,864**	**103,695**	**-**	**103,695**

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 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.

Share Buy-back

In FY2008, the Company purchased 2,995,000 of its ordinary shares pursuant to the share buy-back mandate approved by shareholders on 30 April 2008. These shares were acquired by way of market acquisitions for a total consideration of US$2.5 million and are held as treasury shares by the Company. There were no shares acquired in FY2007.

Shares issue

There were no shares issued in FY2008. In FY2007 the company issued 55,350,000 ordinary shares at S$2.1748 per share.

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.

	As at 31/12/2008	As at 31/12/2007
Total number of issued shares	421,355,000	424,350,000

Total issued shares as at 31 December 2008 excluding treasury shares of 2,995,000.

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.

	Treasury Shares
Total number shares as at 01/01/08	-
Purchase of shares during the year	2,995,000
Total number shares as at 31/12/08	2,995,000

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.

The Group has applied the same accounting policies and methods of computation as in the consolidated financial statements of the Group for financial year ended 31 December 2007.

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.

Please refer to item 4.

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.

Earnings per Ordinary Share for the period based on net profit attributable to Shareholders :	GROUP (Year-to-date)	
	FY 2008	FY 2007
(i) Based on weighted average number of ordinary shares on issue (US cents)	9.19	12.56
(ii) On a fully diluted basis (US cents)	9.19	12.56
Weighted average number of shares in issue for basic and diluted Earnings per Ordinary Shares	422,367,104	395,537,671

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

	Group		Company	
	as at 31/12/2008	**as at 31/12/2007**	**as at 31/12/2008**	**as at 31/12/2007**
Net asset value per ordinary share based on issued share capital at the end of the financial period (US cents)	48.85	41.68	24.61	26.43
Issue share capital at the end of the year	421,355,000	424,350,000	421,355,000	424,350,000

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 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 financial period reported on.**

Review of Group's performance (quarter on quarter) :

The Group's revenue rose by approximately US$41.9m or 68.5% from US$61.1m in the 4th quarter of FY2007 to US$102.9m in the 4th quarter of FY2008. The growth was mainly due to increased activities in EPCIC projects which comprises primarily of transportation and installation of offshore pipelines and platforms in Malaysia, Brunei, Indonesia and India.

The Group experienced a gross loss of US$12.3m in the 4th quarter of FY2008 compared to a gross profit of US$14.6m for the corresponding period. The loss was attributable to higher cost of sales. Cost of sales for the 4th quarter of FY2008 was US$115.3m, a 148.0% increase compared to US$46.5m for the 4th quarter of FY2007. The higher cost of sales was a consequence of the delayed delivery of two vessels, Swiber Concorde (a pipelay barge) and Swiber Supporter (a dive-support work barge) as well as higher subcontractor costs. Both vessels were expected to have been delivered in the 3rd quarter of FY2008 but due to unforeseen circumstances were subsequently delayed and expected to be ready in the 1st quarter of FY2009. With both vessels unavailable for work in the 4th quarter, a significant amount of work slotted for completion relating to pipeline installation and subsea tie-in work for three projects were not completed. The delayed delivery of both vessels also exacerbated the shortage of construction vessels. With project work on multiple locations, higher cost was incurred for multiple mobilizations and de-mobilizations of vessels from project to project. Cost of sales also increased due to high a project involving fabrication of offshore structures in India.

Other operating income for the 4th quarter of FY2008 of US$13.6m remained fairly constant as compared to the 4th quarter of FY2007. Comparing the 4th quarters of FY2008 and FY2007, the lower gains on disposal of assets and interest income was offset by higher foreign exchange gain. Lower gains on disposal of assets were due to lower deal size of the sale and leaseback transactions while lower interest income was due to lower interest rates and reduced bank deposits. The gains in foreign exchange primarily arose due to the strengthening US$ which benefited the Group's operation in Malaysia and Indonesia.

Administrative expenses for the 4th quarter of FY2008 of US$6.0m remained fairly constant as compared to 4th quarter of FY2007.

Other operating expenses rose to US$3.6m in the 4th quarter of FY2008 as compared to US$0.2m in the 4th quarter of FY2007, was mainly due to provision for doubtful receivables of US$4.0m in line with the Group's conservative approach in the current economic environment.

With the benefit of an increased vessel fleet (from two to three vessels) for a joint venture partner, Swiwar Offshore Pte Ltd as well as the contribution from an associate, Principia Asia Pacific Engineering Pte Ltd which was incorporated in April 2008, share of profit of associate and joint venture grew 147.9% from US$0.4m in the 4th quarter of FY2007 to US$1.1m in the 4th quarter of FY2008.

Finance costs increased 67.5% or US$1.1m to US$2.7m in the 4th quarter of FY2008 due mainly to increase in bank loans and issuance of bonds.

Depreciation rose 171.6% from US$1.2m to US$3.2m in the 4th quarter of FY2008 due to the delivery of new vessels in FY2008.

In the 4th quarter of FY2008, the Group registered a loss after tax of US$11.3m as compared to a profit after tax of US$20.2m in the 4th quarter of 2007, primarily due to the higher cost of sales.

Review of Group's performance (year on year)

The Group's revenue rose by approximately US$277.3m or 183.4% from US$151.2m in FY2007 to US$428.4m in FY2008. The growth was mainly due to increased activities in EPCIC projects which comprises primarily of transportation and installation of offshore pipelines and platforms in Malaysia, Brunei, Indonesia and India.

The Group posted a gross profit of US$64.3m in FY2008 compared to US$42.8m for the corresponding period. However, gross profit margin dropped from 28.3% in FY2007 to 15.0% in FY2008. The lower margins were attributable to the delayed delivery of two vessels, Swiber Concorde (a pipelay barge) and Swiber Supporter (a dive-support work barge) as well as higher subcontractor costs. Both vessels were expected to have been delivered in the 3rd quarter of FY2008 but due to unforeseen circumstances were subsequently delayed and are expected to be ready in the 1st quarter of FY2009. With both vessels unavailable for work in the 4th quarter, a significant amount of work slotted for completion relating to pipeline installation and subsea tie-in work for three projects were not completed. The delayed delivery of both vessels also exacerbated the shortage of construction vessels. With project work on multiple locations, higher cost was incurred for multiple mobilizations and de-mobilizations of vessels from project to project. Cost of sales also increased contributing to lower margins due to high subcontractor cost relating to a project involving fabrication of offshore structures in India.

Other operating income for FY2008 of US$21.5m was 23.5% lower as compared to US$28.1m for FY2007. The drop in other operating income is attributable to lower gains on disposal of assets and interest income was offset by higher foreign exchange gain.

Administrative expenses rose 68.5% from US$16.6m in FY2007 to US$28.0m in FY2008 reflecting the increased headcount and general administrative expenses to support the increased level of business activities.

Other operating expenses rose to US$4.3m in FY2008 or from US$0.3m in FY2007 was mainly due to provision for doubtful receivables in line with the Group's conservative approach in the current economic environment.

With the benefit of an increased vessel fleet (from two to three vessels) for a joint venture partner, Swiwar Offshore Pte Ltd as well as the contribution from an associate, Principia Asia Pacific Engineering Pte Ltd which was incorporated in April 2008, share of profit of associate and joint venture grew 69.7% from US$1.7m in FY2007 to US$2.8m in FY2008.

Finance costs increased 197.9% from US$3.7m in FY2007 to US$11.1m in FY2008 due mainly to increase in bank loans and issuance of bonds.

Depreciation rose 223.6% from US$2.7m in FY2007 to US$8.7m in FY2008 due to the delivery of new vessels in FY2008.

For FY2008, profit after tax decreased by 20.6% to US$39.5m in FY2008 as compared to US$49.7m in FY2007 as a result of higher cost of sales.

Review of Balance Sheet :

The Group's total equity increased as a result of the profit for the year ended 31 December 2008. The net debt to equity ratio as at 31 December 2008 is 1.01 times largely due to increase in bank borrowings and funds raised from bonds issued to finance the Group's capital expenditure programme and working capital.

Property, plant and equipment as at 31 December 2008 increased to reflect the Group's increased fleet of vessels in line with our capital expenditure programme. The fleet of vessels increased from 28 as at 31 December 2007 to 32 as at 31 December 2008 and the number of vessels under construction increased from 11 as at 31 December 2007 to 12 as at 31 December 2008.

Trade receivables increased from US$44.9m as at 31 December 2007 to US$62.0m as at 31 December 2008 in line with the increase in business activities as reflected in the growth in revenue for FY2008. In the current economic environment, provision for doubtful debts increased from US$0.2m as at 31 December 2007 to US$4.0m as at 31 December 2008.

Work-in-progress represents unbilled revenue for projects. The significant increase from US$55.8m as at 31 December 2007 to US$135.2m as at 31 December 2008 is mainly due to 2 projects in India and Malaysia which accounted for approximately US$54.5m in work-in-progress.

Current and non-current other receivables rose by US$33.6m to US$59.7m as at 31 December 2008 and US$5.3m to US$16.9m as at 31 December 2008, respectively due to higher prepayments with regards to vessel and equipment expenditure, sale of vessels and projects costs.

Assets held for sale grew from US$10.9m as at 31 December 2007 to US$56.4m as at 31 December 2008 primarily due to the sale and leaseback transactions.

Trade payables increased by US$48.5m to US$92.5m as at 31 December 2008 and other payables also increased by US$61.3m to US$110.5m as at 31 December 2008 in line with the higher cost of sales for the financial year ended 31 December 2008, deposits received from the sales of vessels under the sales and leaseback arrangements and recognition of progress billings from the third party shipyards. As at 31 December 2008, deposits were received from the sales of eight vessels under the sales and leaseback arrangements as compared to five as at 31 December 2007.

Total bank loans increased by US$101.6m to US$126.2m as at 31 December 2008 to finance working capital requirements as well as capital expenditure.

Bonds increased from US$71.1m as at 31 December 2007 to US$155.1m as at 31 December 2008. The increase was attributable to new bond issues of US$92.3m less repayments of US$8.3m during the FY2008.

Derivative financial instruments as at 31 December 2008 is estimated at US$4.9m. These are fair value of swaps based on quoted market prices for equivalent instruments at the balance sheet date. All of these swaps are designated and effective as cash flow hedges.

Review of Cash flow statement :

The Group's net cash inflow from operating activities for FY2008 of US$2.2m was largely due to cashflow from operating activities of US$49.7m offset by higher work-in-progress during FY2008.

The net cash outflow of US$206.7m in investing activities was mainly attributable to the purchase of vessels and vessels held for sales of US$259.4m offset by the proceeds of US$54.2m from the disposal of vessels.

The net cash from financing activities of US$190.8m arose mainly from new bank loans of US$235.1m as well as issue of bonds of US$92.3m offset by repayment of bank loans and bonds of US$133.5m and US$8.3m respectively.

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

N/A

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

As at 31 December 2008, the Group has an order book of approximately US$596m as compared to US$350m in February 2008.

The Group is aware that the current shallow waters oil and gas activities in Asia Pacific and Middle East may remain demanding in the next 12 months. The Group however believes that the long term fundamentals of the oil and gas industry remain favorable.

In view of this unprecedented global recession, the Group will continue to take a vigilant and conservative approach towards its business.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been declared for the year ended 31 December 2008

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

FY 2008	Group: Offshore EPCIC services	Group: Offshore marine support	Group: Shipbuilding and repair	Group: Eliminations	Group: Total
	US$'000	US$'000	US$'000	US$'000	US$'000
Revenue					
External sales	296,762	91,936	39,740	-	428,438
Inter-segment sales	10,811	243,734	2,922	(257,467)	-
Total revenue	307,573	335,670	42,662	(257,467)	428,438
Result					
Segment result	17,132	9,441	4,818	-	31,391
Unallocated income					22,136
Finance costs					(11,131)
Share of profit of associate and joint venture					2,839
Profit before tax					45,235
Income tax expense					(5,747)
Profit for the year					39,488

FY 2008	Group: Offshore EPCIC services	Group: Offshore marine support	Group: Shipbuilding and repair	Group: Others	Group: Total
	US$'000	US$'000	US$'000	US$'000	US$'000
Other information					
Capital additions	75,905	114,925	833	2,401	194,064
Depreciation	2,315	5,020	581	740	8,656
Balance sheet					
Assets					
Segment assets	298,628	270,274	37,554	-	606,456
Unallocated assets					99,156
Consolidated total assets					705,612
Liabilities					
Segment liabilities	141,560	44,987	9,333	-	195,880
Unallocated liabilities					302,661
Consolidated total liabilities					498,541

FY 2007	Group: Offshore EPCIC services	Group: Offshore marine support	Group: Shipbuilding and repair	Group: Eliminations	Group: Total
	US$'000	US$'000	US$'000	US$'000	US$'000
Revenue					
External sales	117,096	22,419	11,662	-	151,177
Inter-segment sales	-	64,614	2,579	(67,193)	-
Total revenue	117,096	87,033	14,241	(67,193)	151,177
Result					
Segment result	21,008	2,315	2,168		25,491
Unallocated income					28,583
Finance costs					(3,736)
Share of profit of associate and joint venture					1,673
Profit before tax					52,011
Income tax expense					(2,305)
Profit for the year					49,706

FY 2007	Offshore EPCIC services	Offshore marine support	Shipbuilding and repair	Others	Total
	Group				
	US$'000	US$'000	US$'000	US$'000	US$'000
Other information					
Capital additions	46,743	42,964	1,186	1,395	92,288
Depreciation	679	1,713	129	154	2,675
Balance sheet					
Assets					
Segment assets	135,909	92,624	22,297	-	250,830
Unallocated assets					119,210
Consolidated total assets					370,040
Liabilities					
Segment liabilities	46,213	34,193	5,266	-	85,672
Unallocated liabilities					106,889
Consolidated total liabilities					192,561

Geograpical Segments

FY 2008	Revenue [1]	Assets [2]	Capital Expenditure[2]
	Group		
	US$'000	US$'000	US$'000
Singapore	33,753	361,334	93,416
Malaysia	120,034	256,699	100,201
Indonesia	96,447	38,897	-
Brunei	72,146	48,682	447
India	70,638	-	-
Others	35,420	-	-
	428,438	705,612	194,064

FY 2007	Revenue [1]	Assets [2]	Capital Expenditure[2]
	Group		
	US$'000	US$'000	US$'000
Singapore	19,531	146,487	19,987
Malaysia	50,938	183,321	71,581
Indonesia	19,082	6,220	402
Brunei	50,834	34,012	318
India	7,767	-	-
Others	3,025	-	-
	151,177	370,040	92,288

[1] The Group's operations are carried out offshore through its companies located in Singapore, Malaysia, Indonesia and branch in Brunei. Analysis of the Group's sales is by geographical market, irrespective of the origin of the work/services.

[2] Analysis of the carrying amount of segment assets and additions to the property, plant and equipment analysed by the geographical area in which the assets are located.

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.

The offshore EPCIC business will continue to be the main contributor to the Group’s revenue.

15. A breakdown of sales

	Group		
	31/12/2008 US$'000	**31/12/2007 US$'000**	**Increase %**
Sales reported for first half year	195,402	44,676	337.38
Operating profit after tax before deducting minority interest reported for first half year	32,567	9,845	230.80
Sales reported for second half year	233,036	106,501	118.81
Operating profit after tax before deducting minority interest reported for second half year	6,921	39,861	(82.64)

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

		Latest Year US$'000	Previous Year US$'000
(a)	Ordinary	-	-
(b)	Preference	-	-
(c)	Total	**-**	**-**

17. Interested Person Transactions

(a) Aggregate value of all interested person transactions, conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transaction less than S$100,000).

(b) Aggregate value of all interested person transactions during the financial period up to 31 December 2008 (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual).

Not applicable

BY ORDER OF THE BOARD
Goh Kim Teck
Chairman
28-Feb-09