



SWIBER HOLDINGS LIMITED

(Incorporated in Singapore)
(Company Registration Number :200414721N)

Full Year Financial Statement for the Year Ended 31 December 2007

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 2007	4th Qtr of 2006	+ / (-)	FY 2007	FY 2006	+ / (-)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
REVENUE	61,085	23,577	159.1	151,177	66,772	126.4
Cost of Sales	(46,469)	(18,876)	146.2	(108,338)	(51,462)	110.5
GROSS PROFIT	14,616	4,701	210.9	42,839	15,310	179.8
Other operating income	13,623	1,963	594.0	28,147	3,602	681.4
Administrative expenses	(6,399)	(2,508)	155.1	(16,638)	(4,731)	251.7
Other operating expenses	(192)	(269)	(28.6)	(274)	(1,030)	(73.4)
Share of profit of associate and joint venture	449	121	271.1	1,673	377	343.8
Finance costs	(1,633)	(178)	817.4	(3,736)	(550)	579.3
Profit before tax	20,464	3,830	434.3	52,011	12,978	300.8
Income tax expense	(245)	94	(360.6)	(2,305)	(838)	175.1
Profit after tax	20,219	3,924	415.3	49,706	12,140	309.4
Attributable to :						
Equity holders of the company	20,001	4,202	376.0	49,669	12,129	309.5
Minority interest	218	(278)	(178.4)	37	11	236.4
	20,219	3,924	415.3	49,706	12,140	309.4

Notes

The Group's profit before tax is arrived at after (charging)/crediting the following :

	GROUP		GROUP	
	4th Qtr of 2007	4th Qtr of 2006	FY 2007	FY 2006
	US\$'000	US\$'000	US\$'000	US\$'000
Interest income	830	45	1,549	52
Interest on borrowings	(1,488)	(178)	(3,035)	(550)
Depreciation	(1,174)	(342)	(2,675)	(1,091)
Provision for doubtful debts	(55)	(107)	(55)	(107)
Foreign exchange gain /(loss)	(396)	(289)	283	(425)
Plant and equipment written off	(72)	-	(72)	-
Gain on disposal of plant and equipment	-	-	2,381	1,052
Gain on disposal of assets held for sale	13,241	-	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	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Current assets :				
Cash and bank balances	97,686	11,489	24,451	128
Trade receivables	100,714	28,927	-	-
Inventory	224	-	-	-
Other receivables	26,067	3,753	815	58
Amount due from subsidiaries	-	-	128,566	1,142
Assets held for sale	10,919	3,564	-	-
Total current assets	235,610	47,733	153,832	1,328
Non-current assets :				
Plant and equipment	112,900	38,582	1,643	402
Subsidiaries	-	-	33,635	33,546
Associate	3,698	2,855	-	-
Joint venture	4,448	1,800	-	-
Deferred tax assets	18	19	-	-
Other receivables	11,591	-	339	-
Derivative financial instruments	1,762	-	1,762	-
Other assets	13	11	-	-
Total non-current assets	134,430	43,267	37,379	33,948
Total assets	370,040	91,000	191,211	35,276
LIABILITIES AND EQUITY				
Current liabilities:				
Bank loans	14,434	4,376	-	-
Trade payables	43,946	19,736	-	-
Other payables	49,221	10,168	7,561	1,508
Current portion of finance leases	80	49	39	39
Amount due to subsidiaries	-	-	2	4
Income tax payable	2,049	261	-	-
Total current liabilities	109,730	34,590	7,602	1,551
Non-current liabilities:				
Bank loans	10,122	6,409	-	-
Bonds	71,147	-	71,147	-
Finance leases	617	427	317	335
Employee benefits liabilities	67	40	-	-
Deferred tax liabilities	878	489	-	-
Total non-current liabilities	82,831	7,365	71,464	335
Capital, reserves and minority interest:				
Share capital	108,205	31,634	108,205	31,634
Hedging reserve	1,762	-	1,762	-
Translation reserve	452	49	-	-
Retained earnings	66,453	16,784	2,178	1,756
Equity attributable to equity holders of the Company	176,872	48,467	112,145	33,390
Minority interests	607	578	-	-
Total equity	177,479	49,045	112,145	33,390
Total liabilities and equity	370,040	91,000	191,211	35,276

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

Amount repayable in one year or less, or on demand			
As at 31/12/2007		As at 31/12/2006	
Secured (US\$'000)	Unsecured (US\$'000)	Secured (US\$'000)	Unsecured (US\$'000)
14,514	-	4,425	-

Amount repayable after one year			
As at 31/12/2007		As at 31/12/2006	
Secured (US\$'000)	Unsecured (US\$'000)	Secured (US\$'000)	Unsecured (US\$'000)
10,739	71,147	6,836	-

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 2007 US\$'000	FY 2006 US\$'000
Cash flows from operating activities		
Profit before tax	52,011	12,978
Adjustments for :		
Interest income	(1,549)	(52)
Allowance for doubtful debts	55	107
Finance costs	3,736	550
Depreciation of plant and equipment	2,675	1,091
Plant and equipment written off	72	-
Gain on disposal of plant and equipment	(2,381)	(1,052)
Gain on disposal of assets held for sale	(21,686)	-
Provision for employee benefits	27	8
Negative goodwill	(2,018)	-
Share of profit of associate and joint venture	(1,673)	(377)
Operating cash flows before movement in working capital	29,269	13,253
Trade receivables	(69,297)	(23,655)
Inventory	164	-
Other receivables	(33,843)	90
Other assets	2	15
Trade payables	23,684	15,119
Other payables	37,664	8,008
Cash (used in) / generated from operations	(12,357)	12,830
Income taxes paid	(742)	(513)
Interest paid	(3,736)	(498)
Net cash (used in) / generated from operating activities	(16,835)	11,819
Cash flow from investing activities:		
Interest received	1,549	52
Dividend received from associate	-	300
Proceeds on disposal of plant and equipment	24,350	8,327
Proceeds on disposal of assets held for sale	99,050	-
Purchases of plant and equipment	(92,051)	(33,330)
Additions to non-current assets held for sale	(84,719)	(2,015)
Acquisition of subsidiary	(5,206)	-
Investment in joint venture	(1,818)	(1,800)
Net cash used in investing activities	(58,845)	(28,466)
Cash flow from financing activities:		
Dividends paid	-	(1,201)
Repayment of bank loans	(19,533)	(1,523)
Pledged deposits	(13,008)	(2,013)
Minority interest contribution for increase in share capital of subsidiary	-	27
Proceed on issue of bonds	71,147	-
Proceed on issue of shares	78,569	22,341
Share issue expenses	(1,998)	(2,120)
Repayment of obligations under finance leases	(15)	(11)
New bank loans raised	33,304	7,615
Net cash from financing activities	148,466	23,115
Net effect of foreign exchange rate changes on consolidation of subsidiaries	403	235
Net increase in cash and bank balances	73,189	6,703
Cash and cash equivalents at beginning of the period	9,443	2,740
Cash and cash equivalents at end of the period	82,632	9,443
Cash and cash equivalents consist of:		
Cash at bank	60,530	9,440
Cash on hand	25	3
Fixed deposits	37,131	2,046
	97,686	11,489
Less: Pledged deposits	(15,054)	(2,046)
Total	82,632	9,443

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	Share premium	Hedging reserve	Translation reserve	Retained earnings	Total	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 2006	9,001	2,412	-	(168)	4,655	15,900	498	16,398
Issue of new shares pursuant to the restructuring exercise	951	-	-	-	-	951	-	951
Issue of shares pursuant to Initial Public Offering	21,390	-	-	-	-	21,390	-	21,390
Share issue expenses	(2,120)	-	-	-	-	(2,120)	-	(2,120)
Increase of share capital of subsidiary	-	-	-	-	-	-	27	27
Adjustment arising from abolition of par value of shares	2,412	(2,412)	-	-	-	-	-	-
Profit for the year	-	-	-	-	12,129	12,129	11	12,140
Exchange differences arising on translation of foreign operations	-	-	-	217	-	217	42	259
Balance at 31 December 2006	31,634	-	-	49	16,784	48,467	578	49,045
Balance at 1 January 2007	31,634	-	-	49	16,784	48,467	578	49,045
Issue of shares pursuant to Private Placement	78,569	-	-	-	-	78,569	-	78,569
Share issue expenses	(1,998)	-	-	-	-	(1,998)	-	(1,998)
Profit for the year	-	-	-	-	49,669	49,669	37	49,706
Exchange differences arising on translation of foreign operations	-	-	-	403	-	403	(18)	385
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
COMPANY								
Balance at 1 January 2006	9,001	2,412	-	24	1,729	13,166	-	13,166
Issue of new shares pursuant to the restructuring exercise	951	-	-	-	-	951	-	951
Issue of shares pursuant to Initial Public Offering	21,390	-	-	-	-	21,390	-	21,390
Share issue expenses	(2,120)	-	-	-	-	(2,120)	-	(2,120)
Adjustment arising from abolition of par value of shares	2,412	(2,412)	-	-	-	-	-	-
Profit for the year	-	-	-	-	5	5	-	5
Exchange differences arising on translation of foreign operations	-	-	-	(24)	22	(2)	-	(2)
Balance at 31 December 2006	31,634	-	-	-	1,756	33,390	-	33,390
Balance at 1 January 2007	31,634	-	-	-	1,756	33,390	-	33,390
Issue of shares pursuant to Private Placement	78,569	-	-	-	-	78,569	-	78,569
Share issue expenses	(1,998)	-	-	-	-	(1,998)	-	(1,998)
Profit for the year	-	-	-	-	422	422	-	422
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

- 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.**

During the financial year, the company issued 55,350,000 ordinary shares at S\$2.1748 and increase the total number of issued ordinary shares from 369,000,000 shares to 424,350,000 shares.

- 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.**

Not applicable

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

Not applicable

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard 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.**

In the current financial year, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after January 1, 2007. The adoption of these new/revised FRSs and INT FRSs has no material effect on the financial statement except, that the application of FRS 107 and the consequential amendments to other FRS will not affect any of the amounts recognised in the financial statements, but will change the disclosures presently made in relation to the group's financial instruments and the objectives, policies and processes for managing capital.

- 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 2007	FY 2006 ⁽¹⁾
(i) Based on weighted average number of ordinary shares on issue (US cents)	12.56	4.32
(ii) On a fully diluted basis (US cents)	12.56	4.32
Weighted average number of shares in issue for basic and diluted Earnings per Ordinary Shares	395,537,671	280,482,192

⁽¹⁾ Earnings per share is calculated based on the weighted average number of shares adjusted for the share split on consolidation of every six ordinary shares in the share capital into one ordinary share and the subsequent sub-division of every one ordinary share in the share capital into 100 ordinary shares on 29 September 2006

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	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Net asset value per ordinary share based on issued share capital at the end of the financial period (US cents)	41.68	13.13	26.43	9.05
Number of ordinary shares at the end of the period	424,350,000	369,000,000	424,350,000	369,000,000

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.**

The Group's revenue increased by approximately US\$37.51 million or 159.1% from US\$23.58 million in the 4th quarter of FY2006 to US\$ 61.09 million in the 4th quarter of FY2007. The increase was mainly attributed to the increased number of EPCIC projects executed in the 4th quarter FY2007 for the transportation and installation of offshore pipelines, jackets and top decks in Malaysia, Brunei and Indonesia when compared to the corresponding period in FY2006. In the 4th quarter of FY2006, the Group only had projects in Malaysia. In addition to the increased number of offshore EPCIC projects, the revenue contribution from the newly acquired shipyard has also attributed to the increase in the Group's revenue.

The Group's profit after tax increased by approximately 415.3% from US\$3.92 million in 4th quarter FY2006 to US\$20.22 million in FY 2007 which was boosted by an gain on disposal of vessels held for sale amounting to US\$13.24 million.

The Group's revenue for FY2007 increased by approximately 126.4% from US\$66.77 million in FY2006 to US\$151.18 million in FY2007. The increase was mainly attributed to the increased number of new offshore EPCIC contracts for the transportation and installation of offshore pipelines, jackets and top decks in Malaysia, Brunei and Indonesia.

Overall the group's gross profit margin has improved from a gross profit margin of 22.93% in FY2006 to 28.34% in FY2007 and improved gross profit margin is mainly attributed to the reduction in utilization of third party vessels. The Group's profit after tax increased by approximately 309.4% from US\$12.14 million in FY2006 to US\$49.71 million in FY 2007. The increase in profit after tax is mainly attributed to increase in revenue, operating margin and gain on disposal of vessels.

The successful completion of the issue of 55,350,000 placement shares which raised a net proceeds of US\$76.57 million. Together with profit for the year ended 31 December 2007 of US\$49.67 million, the Group's balance sheet has further strengthen with a total equity increased from US\$49.05 million in FY2006 to US\$177.48 million in FY2007. The Group's debt to equity ratio is 0.53 times.

Cash and cash equivalent increased due mainly to net cash generated from financing activities as a result of the proceeds from issue of shares and bond, proceeds from disposal of assets held for sale. This is offset by net cash used in operating activities and purchases of fixed assets

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 29 February 08, the Group has an order book (including Letters of Award) of US\$350 million as compared with order book of US\$187 million in February 2007. The increase in the order book reflects the Group's ability to secure more contracts as the Group expanded its resources and capability.

The Group will continue to expand its fleets of offshore support vessels and offshore construction vessels (particularly pipelay barges and derrick crane barges) to increase its capacity to handle demand of the offshore EPCIC services in the Asia Pacific and Middle East regions. Barring unforeseen circumstances, the Group expects FY2008 to be better than FY2007 based on the schedule of completion of the projects.

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 financial year ended 31 December 2007

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

<u>FY 2007</u>	Group				Total
	Offshore EPCIC services	Offshore marine support	Shipbuilding and repair	Eliminations	
	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	<u>117,096</u>	<u>87,033</u>	<u>14,241</u>	<u>(67,193)</u>	<u>151,177</u>
Result					
Segment result	<u>21,008</u>	<u>2,315</u>	<u>2,168</u>		25,491
Unallocated income					28,583
Finance costs					(3,736)
Share of profit of associate and joint venture					1,673
Profit before tax					<u>52,011</u>
Income tax expense					<u>(2,305)</u>
Profit for the year					<u>49,706</u>

<u>FY 2007</u>	Group				Total
	Offshore EPCIC services	Offshore marine support	Shipbuilding and repair	Others	
	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					<u>119,210</u>
Consolidated total assets					<u>370,040</u>
Liabilities					
Segment liabilities	46,213	34,193	5,266		85,672
Unallocated liabilities					<u>106,889</u>
Consolidated total liabilities					<u>192,561</u>

FY 2006	Group			
	Offshore EPCIC Services	Offshore marine support	Eliminations	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue				
External sales	46,792	19,980	-	66,772
Inter-segment sales	-	54,540	(54,540)	-
Total revenue	<u>46,792</u>	<u>74,520</u>	<u>(54,540)</u>	<u>66,772</u>
Result				
Segment result	<u>10,460</u>	<u>1,548</u>		12,008
Unallocated Income				1,143
Finance costs				(550)
Share of profit of associates				<u>377</u>
Profit before tax				12,978
Income tax expense				<u>(838)</u>
Profit for the year				<u>12,140</u>

FY 2006	Group			
	Offshore EPCIC Services	Offshore marine support	Others	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Other information				
Capital additions	1,651	31,739	427	33,817
Depreciation	151	913	27	1,091
Balance sheet				
Assets				
Segment assets	22,732	47,461		70,193
Unallocated assets				<u>20,807</u>
Consolidated total assets				<u>91,000</u>
Liabilities				
Segment liabilities	8,757	17,362		26,119
Unallocated liabilities				<u>15,836</u>
Consolidated total liabilities				<u>41,955</u>

Geographical Segments

FY 2007	Group		
	Revenue ⁽¹⁾	Assets ⁽²⁾	Capital Expenditure ⁽²⁾
	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
Others	10,792	-	-
	<u>151,177</u>	<u>370,040</u>	<u>92,288</u>

FY 2006	Group		
	Revenue ⁽¹⁾	Assets ⁽²⁾	Capital Expenditure ⁽²⁾
	US\$'000	US\$'000	US\$'000
Singapore	11,791	54,468	29,240
Malaysia	40,543	35,395	4,312
Indonesia	6,899	1,137	265
Others	7,539	-	-
	<u>66,772</u>	<u>91,000</u>	<u>33,817</u>

⁽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.

Currently the Group operates a fleet of 28 vessels as compared with only 10 vessels at the beginning of FY2007. A larger fleet of vessels allows the Group to be able to expand geographically and to bid and handle more contracts. In the next two years, the offshore EPCIC business will continue to be the main contributor to the Group's revenue.

15. A breakdown of sales

	Group		Increase %
	31/12/2007 US\$'000	31/12/2006 US\$'000	
Sales reported for first half year	44,676	13,950	220.26
Operating profit after tax before deducting minority interest reported for first half year	9,845	2,591	279.97
Sales reported for second half year	106,501	52,822	101.62
Operating profit after tax before deducting minority interest reported for second half year	39,861	9,549	317.44

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 2007 (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
Executive Chairman and CEO
29 February 2008

The initial public offering of the shares of Swiber Holdings Limited was sponsored by Westcomb Capital Pte Ltd