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Full Year * Financial Statement And Dividend Announcement

* Asterisks denote mandatory information



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Announcement is submitted with respect to *	CSC HOLDINGS LTD
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>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	31-03-2007
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PRESS RELEASE

CSC HOLDINGS REPORTS 128% SURGE IN NET PROFIT

Performance Highlights:

- **127.6% surge in net profit to S\$8.6 million**
- **18.1% increase in revenue to S\$126.7 million**
- **Strategic acquisitions in FY07 established CSC as the largest foundation and geotechnical engineering specialist in Singapore, and one of the largest in the region**
- **Subsidiary L&M Foundation Specialist Pte Ltd awarded contract worth S\$240mil for the Marina Bay Sands Integrated Resort**

SINGAPORE, 24 May 2007 – Foundation and geotechnical engineering specialist CSC Holdings Limited (“CSC”) today reported a 127.6% surge in net profit to a record S\$8.6 million, or 0.87 cents per share for the financial year ended 31 March 2007 (FY07), compared with S\$3.8 million, or 0.38 cents per share for the previous financial year (FY06). Group revenue grew 18.1% to S\$126.7 million on the back of strong demand in the construction sector for the Group’s specialised capabilities.

Profit from operating activities rose 96.9% to S\$13.1 million, boosted by a gain of S\$3.7 million on the disposal of the Group’s industrial property at Tuas, along with negative goodwill of S\$1.3 million arising from the acquisition of a subsidiary.

Mr See Yen Tarn, Chief Executive Officer of CSC said, “The strong set of results has been achieved through Group’s effort in streamlining its core operations to focus on foundation and geotechnical engineering. Our operating margins have also improved considerably, from 6.2% in FY06 to 10.4% in FY07.”

Operations Update

The Group’s overall business activity was boosted by a pickup in the construction industry following some 10 years of languish. Leveraging its expertise in a wide range of piling capabilities, the Group was able to secure projects both in the public and private sectors. Such projects include commercial projects such as the Orchard Turn development and Clementi Town Centre redevelopment project, residential projects such as the Hillcrest Road condominium, and industrial projects such as the Horizon’s Bulk Liquid Terminal at Jurong Island, Lucite Chemical Plant, Shell project at Pulau Ular and Intel Micron Flash Technology Plant at Woodlands.

The Group made several acquisitions in the year, effectively expanding the breadth and depth of its capabilities. Its S\$17.3 million acquisition of L&M Foundation Services Pte Ltd (“L&MFS”) has enabled it to claim pole position amongst foundation and geotechnical engineering specialists in Singapore, and become one of the largest in the region. This has the effect of boosting CSC’s existing capacity, and adding new capabilities, including the construction of diaphragm wall, ground anchors and large diameter bored piles. Other acquisitions include Soil Investigation Pte Ltd, which will enable the Group to extend its service offerings into soil investigation and instrumentation, and Malaysia-based G-Pile Sistem Sdn Bhd, which will further strengthen the Group’s existing hydraulic jack-in piling capabilities.

In line with its efforts to divest non-core assets, the Group disposed of its industrial building at 2 Tuas South Avenue 2 for a consideration of S\$23 million in July 2006 .

Balance Sheet

The Group ended the year with total shareholder’s equity standing at S\$85.3m, an increase of 64.3% over the previous financial year. Net assets per share increased 31.7% to 7.9cents, from 6.0cents the year before. On 27 March 2007, the Group completed the rights issue exercise of one rights share for every four ordinary share, and raised a sum of approximately S\$23.7m.

Outlook

Riding on the construction boom, CSC is optimistic of its outlook for the new financial year. The construction cycle has just begun to pick up, and this uptrend is expected to provide strong demand for CSC’s specialized capabilities, given its range of foundation and geotechnical capabilities.

Driven by increased private en-bloc redevelopment activities, and public sector initiatives to beef up infrastructure for its targeted residential population of six million, activities in the construction sector in Singapore are expected remain sustainable over the next few years.

In addition, the Group had announced earlier this week that its subsidiary L&MFS had been awarded a S\$240 million contract for piling and diaphragm walls by Marina Bay Sands Pte Ltd for the Marina Bay Sands Integrated Resort Development. With work scheduled to start in June and expected to be completed in February 2008, the Group should enjoy a steady flow of income from this and other projects in its pipeline.

Mr See said, “Having expanded our fleet size and capabilities in the past year, we are in good position to take advantage of the ongoing construction uptrend. As of 23 May 2007, our order book for the Group has increased to S\$372 million, including the recently secured Marina Bay Sands Integrated Resort Development project. The Group is confident that the performance for FY08 will be significantly better than that of FY07”



About CSC Holdings Limited

CSC is Singapore's largest foundation and geotechnical engineering specialist, and one of the region's largest solutions providers for private and public sector residential, commercial and infrastructure projects.

CSC offers a full range of design-and-build capabilities, including Large Diameter Bored Pile, Diaphragm Wall, Driven Pile, Jack-in Pile, Micro Pile and Soil Investigation & Instrumentation.

In addition to the Group's core business of foundation and geotechnical engineering, CSC is also engaged in the sale and leasing of foundation equipment, and steel fabrication.

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FINANCIAL STATEMENT ANNOUNCEMENT FOR THE TWELVE MONTHS ENDED 31 MARCH 2007

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

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

Income Statement for the 12 months ended 31 March 2007

	Note	Group		
		12 months ended 31-Mar-07	12 months ended 31-Mar-06	Change
		S\$'000	S\$'000	%
Revenue		126,683	107,252	18.1
Cost of sales	A	(107,122)	(92,418)	15.9
Gross profit		19,561	14,834	31.9
Other operating income	B	6,783	855	693.3
Distribution expenses		(62)	(124)	(50.0)
Administrative expenses		(871)	(716)	21.6
Other operating expenses	C	(12,266)	(8,174)	50.1
Profit from operating activities		13,145	6,675	96.9
Finance costs		(2,099)	(1,873)	12.1
Share of results of associates		227	(13)	NM
Share of results of a jointly-controlled entity		(87)	-	NM
Profit before income tax		11,186	4,789	133.6
Income tax expense	E	(1,878)	(408)	360.3
Profit for the year		9,308	4,381	112.5
Attributable to:				
Equity holders of the Company		8,638	3,796	127.6
Minority interest		670	585	14.5
Profit for the year		9,308	4,381	

NM - Not Meaningful.

1(a)(ii) Notes to Income Statement

The Group is reporting its full year results for the period from 1 April 2006 to 31 March 2007 with comparative figures for the 12 months period from 1 April 2005 to 31 March 2006. Comparative figures in the statements for the previous financial year have been reclassified to conform to current year's presentation.

	Group	
	12 months ended 31/03/2007	12 months ended 31/03/2006
	S\$'000	S\$'000
A Cost of sales		
Cost of sales includes the following items:		
Allowance for inventories obsolescence	-	36
Depreciation and impairment loss (Note D)	3,255	2,234
Inventories written down	40	-
Inventories written off	1	-
	<u>3,296</u>	<u>2,270</u>
B Other operating income		
Compensation from supplier	1,137	-
Exchange gain	2	100
Fixed deposit interest	190	44
Gain on disposal of property, plant and equipment (see note below)	3,678	123
Impairment loss on goodwill	(314)	-
Negative goodwill arising from acquisition of a subsidiary	1,292	-
Net gain on remeasurement of long term receivables at fair value through profit and loss	-	82
Other income	553	315
Project management fees	141	163
Rental income	104	28
	<u>6,783</u>	<u>855</u>
<u>Note:</u>		
Pursuant to the Company's announcement dated 25 July 2006, the gain on disposal resulting from the sale of the Group's industrial property amounted to approximately S\$3,070,881. The leaseback of the property for a term of 7 years will be at an initial annual rental of S\$1,922,000, subject to adjustments.		
C Operating expenses		
Operating expenses include the following items:		
Allowance for doubtful receivables	875	917
Assets written off	4	-
Bad debts written off	85	18
Depreciation, impairment loss and amortisation (Note D)	575	452
Impairment loss on quoted equity shares	-	1
Net loss on remeasurement of long term receivables at fair value through profit and loss	135	-
Share option expense	780	-
	<u>2,454</u>	<u>1,388</u>

	Group	
	12 months ended 31/03/2007	12 months ended 31/03/2006
	S\$'000	S\$'000
D Depreciation, impairment loss and amortisation		
Charged under cost of sales:		
(a) Depreciation of plant and machinery	3,038	2,234
(b) Impairment loss on plant and machinery	217	-
	<u>3,255</u>	<u>2,234</u>
Charged under operating expenses:		
(a) Depreciation of office equipment, furniture and fittings, leasehold land and building	298	199
(b) Impairment loss on renovation, office equipment, furniture and fittings,	25	-
(c) Amortisation of discount of loan stock	-	1
(d) Amortisation of lease prepayment	252	252
	<u>575</u>	<u>452</u>
	<u>3,830</u>	<u>2,686</u>
E Income tax expense		
Current tax expense	1,785	110
Deferred tax expense	13	555
Overprovision of tax in prior year	80	(257)
	<u>1,878</u>	<u>408</u>

F Interested persons transactions

Interested persons transactions carried out during the 12 months ended 31 March 2007 under Chapter 9 of the Listing Manual are as follows:-

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
(1) Tat Hong Heavyequipment (Pte.) Ltd.	NIL	S\$1,707,500
(1) CMC Construction Pte Ltd	NIL	S\$2,979,255

Note:

(1) Tat Hong Heavyequipment (Pte.) Ltd. and CMC Construction Pte Ltd are related companies of TH Investments Pte Ltd, a substantial shareholder of the Company.

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.

Balance Sheets as at 31 March 2007

DESCRIPTION	Note	Group		Company	
		31-Mar-07	31-Mar-06	31-Mar-07	31-Mar-06
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	1	43,970	15,432	28	-
Lease prepayment		755	1,007	-	-
Land held for development		4,643	4,643	-	-
Investment in subsidiaries		-	-	47,874	29,752
Interest in a jointly-controlled entity		914	-	-	-
Interest in associates		2,495	2,153	1,000	1,000
Other investments		426	28	-	-
Goodwill on consolidation		-	314	-	-
Deferred tax assets		-	615	-	-
Long-term progress billings receivables		4,204	1,639	-	-
Trade receivables		1,638	-	-	-
		59,045	25,831	48,902	30,752
Assets classified as held for sale		4,331	23,962	-	-
Current assets					
Inventories	2	14,592	14,292	-	-
Work in progress		2,618	-	-	-
Land held for sale		7,652	10,478	-	-
Progress billings receivables		35,136	25,418	-	-
Trade and other receivables		35,943	10,174	12,398	669
Loan to a related company		-	315	-	-
Amount due from related parties		2,246	489	17,428	22,639
Cash and bank balances		34,211	5,551	23,827	333
		132,398	66,717	53,653	23,641
Total assets		195,774	116,510	102,555	54,393
Equity attributable to equity holders of the Company					
Share capital		56,390	32,743	56,390	32,743
Capital reserves		17,798	17,798	17,798	17,798
Reserve on consolidation		117	117	-	-
Fair value and revaluation reserve		274	-	-	-
Share option reserve		780	-	780	-
Other reserve		252	-	252	-
Currency translation reserves		(92)	118	-	-
Accumulated profit/(losses)		9,739	1,101	(10,860)	(6,704)
		85,258	51,877	64,360	43,837
Minority interests		2,084	1,729	-	-
Total equity		87,342	53,606	64,360	43,837
Non-current liabilities					
Convertible notes		2,886	-	2,886	-
Obligations under finance leases		9,448	6,619	15	-
Loans and borrowings (secured)		16,226	10,218	14,798	3,380
Trade payables		-	51	-	-
Deferred tax liabilities		2,794	-	55	-
		31,354	16,888	17,754	3,380
Current liabilities					
Bank overdraft (secured)		150	1,962	-	931
Trade and other payables		49,709	32,636	1,589	430
Excess of progress billings over construction work-in-progress	3	2,434	766	-	-
Amount due to related parties		941	1,854	3,525	4,775
Loan from a shareholder		-	1,107	-	-
Current portion of obligations under finance leases		4,372	2,605	31	-
Loans and borrowings (secured)		17,518	4,648	15,296	1,040
Provision for taxation		1,954	438	-	-
		77,078	46,016	20,441	7,176
Total liabilities		108,432	62,904	38,195	10,556
Total equity and liabilities		195,774	116,510	102,555	54,393

1(b)(i) Notes to Balance Sheet

1 Property, plant and equipment

The movement in property, plant and equipment is as follows:

	Group	
	As at 31/03/2007 S\$'000	As at 31/03/2006 S\$'000
<u>Cost/Valuation</u>		
Opening balance	35,443	62,411
Additions	14,084	3,674
Assets acquired in business combinations	18,406	-
Disposals/Written off	(1,039)	(1,159)
Transfer to assets held for sale	-	(29,483)
Closing balance	66,894	35,443
<u>Accumulated depreciation and impairment losses</u>		
Opening balance	20,011	23,647
Additions	3,578	2,433
Disposals/Written off	(665)	(548)
Transfer to assets held for sale	-	(5,521)
Closing balance	22,924	20,011
Carrying amount	43,970	15,432

2. Inventories

	Group	
	As at 31/03/2007 S\$'000	As at 31/03/2006 S\$'000
Equipment and machinery	11,084	11,023
Spare parts	1,117	597
Raw materials	2,424	2,584
Finished goods	3	124
	14,628	14,328
Allowance for inventory obsolescence	(36)	(36)
	14,592	14,292

3 Excess of progress billings over construction work-in-progress

	Group	
	As at 31/03/2007 S\$'000	As at 31/03/2006 S\$'000
Cost incurred and attributable profit	239,354	208,835
Allowance for foreseeable losses	(1,227)	(185)
	238,127	208,650
Progress billings	(240,561)	(209,416)
Excess of progress billings over construction work-in-progress	(2,434)	(766)

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

Amount repayable in one year or less, or on demand

As at 31/03/2007	
Secured	Unsecured
S\$'000	S\$'000
28,792	-

As at 31/03/2006	
Secured	Unsecured
S\$'000	S\$'000
12,995	-

Amount repayable after one year

As at 31/03/2007	
Secured	Unsecured
S\$'000	S\$'000
25,674	-

As at 31/03/2006	
Secured	Unsecured
S\$'000	S\$'000
16,837	-

Details of any collateral

Included in Group's secured borrowings repayable within one year are trust receipts amounting to S\$6,752,159 (31 March 2006: S\$3,779,768).

The overdraft, trust receipts, finance lease obligations and term loan facilities are secured by legal mortgages over the Group's assets listed below and corporate guarantees by the Company:

- a) Plant and machinery;
- b) Industrial lands held for development and for sale;
- c) Fixed charge on assets of certain subsidiaries; and
- d) Fixed deposits of a subsidiary.

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

Consolidated Statement of Cash Flows for the 12 months ended 31 March 2007

	12 months ended <u>31-Mar-07</u> S\$'000	12 months ended <u>31-Mar-06</u> S\$'000
Operating activities		
Profit from operations before taxation	11,186	4,789
Adjustments for:		
Allowance made for:		
- inventories obsolescence	-	36
- foreseeable losses	1,044	183
- doubtful trade and other receivables	875	917
Amortisation of:		
- discount on loan stock	-	1
- lease prepayment	252	252
Assets written off	4	-
Depreciation of property, plant and equipment	3,336	2,433
Gain on disposal of property, plant and equipment	(3,678)	(123)
Impairment loss on:		
- goodwill on consolidation	314	-
- investments available-for-sale	72	1
- plant and equipment	242	-
Interest income	(194)	(44)
Interest expense	1,837	1,696
Negative goodwill arising from acquisition of a subsidiary	(1,292)	-
Net loss/(gain) on remeasurement of long term progress billings receivables at fair value through profit and loss	135	(82)
Share option expense	780	-
Share of results of associates	(227)	13
Share of results of a jointly controlled entity	87	-
Operating profit before working capital changes	14,773	10,072
Changes in working capital:		
Inventories	2,820	1,142
Land held for sale	2,827	(13)
Trade, progress billings and other receivables	(19,197)	(10,270)
Trade and other payables	3,043	8,423
Loan to a related company	-	(315)
Cash generated from operations	4,266	9,039
Income taxes paid	(350)	(27)
Interest received	194	44
Cash flows from operating activities	4,110	9,056
Investing activities		
Purchase of plant and equipment	(7,614)	(1,630)
Net proceeds from disposal of property, plant and equipment	23,679	733
Acquisition of a subsidiary, net of cash acquired	(14,885)	-
Acquisition of interest in a jointly-controlled entity	(1,252)	-
Deposit paid for proposed acquisition of subsidiaries	(8,122)	-
Increase in fixed deposits pledged	(29)	(31)
Cash flows from investing activities	(8,223)	(928)

	12 months ended 31-Mar-07 S\$'000	12 months ended 31-Mar-06 S\$'000
Financing activities		
Interest paid	(1,779)	(1,853)
Non-trade amount due from associated companies	(175)	-
Repayment of loan from a shareholder	(1,107)	(1,208)
Proceeds from/(Repayment of) bank loans	18,879	(2,244)
Repayment of finance lease obligations	(4,909)	(1,838)
Proceeds from issue of shares to a minority shareholder	-	59
Proceeds from rights issue	23,647	-
Changes in cash held in trustee account for redemption of loan stock	-	19
Cash flows from financing activities	34,556	(7,065)
Net increase in cash and cash equivalents	30,443	1,063
Cash and cash equivalents at beginning of the year	2,055	992
Cash and cash equivalents at end of the year	32,498	2,055
Comprising:		
Cash and bank balances	34,211	5,551
Bank overdrafts (secured)	(150)	(1,962)
	34,061	3,589
Less:		
Fixed deposits pledged as security for bank facilities	(1,563)	(1,534)
	32,498	2,055

Significant non-cash transactions:

- 1) During the financial year, the Group acquired plant and equipment with an aggregate cost of S\$14,084,056 (31 March 2006: S\$3,673,683) of which S\$6,469,737 (31 March 2006: S\$2,043,287) were acquired by means of finance lease. Cash payments of S\$7,614,319 (31 March 2006: S\$1,630,396) were made to purchase plant and equipment.
- 2) During the financial year, the dividend payable by a subsidiary to a minority shareholder of S\$315,000 has been setoff against an outstanding loan owing by the minority shareholder to the subsidiary.

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.

Statement of Changes in Equity for the 12 months ended 31 March 2007

Group	Share capital	Share premium	Capital reserves	Reserve on consolidation	Fair value and revaluation reserve	Share option reserve	Other reserve	Currency translation reserve	Accumulated (losses)/profit	Total attributable to equity holders of the Company	Minority interest	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 April 2005	8,899	23,844	18,168	117	-	-	-	129	(3,065)	48,092	-	48,092
Exchange difference on translation of financial statements of foreign subsidiaries	-	-	-	-	-	-	-	(11)	-	(11)	-	(11)
Net profit for the year	-	-	-	-	-	-	-	-	3,796	3,796	585	4,381
Total recognised income and expenses for the year	-	-	-	-	-	-	-	(11)	3,796	3,785	585	4,370
Transfer of capital reserve upon expiry of warrants	-	-	(370)	-	-	-	-	-	370	-	-	-
Minority interest's share of net assets	-	-	-	-	-	-	-	-	-	-	1,144	1,144
Transfer from share premium upon implementation of the Companies (Amendment) Act 2005	23,844	(23,844)	-	-	-	-	-	-	-	-	-	-
At 31 March 2006	32,743	-	17,798	117	-	-	-	118	1,101	51,877	1,729	53,606
At 1 April 2006	32,743	-	17,798	117	-	-	-	118	1,101	51,877	1,729	53,606
Exchange difference on translation of financial statements of foreign subsidiaries/associates	-	-	-	-	-	-	-	(210)	-	(210)	-	(210)
Change in fair value of available-for-sale financial assets	-	-	-	-	274	-	-	-	-	274	-	274
Net profit for the year	-	-	-	-	-	-	-	-	8,638	8,638	670	9,308
Total recognised income and expenses for the year	-	-	-	-	274	-	-	(210)	8,638	8,702	670	9,372
Issue of shares from rights issue	24,473	-	-	-	-	-	-	-	-	24,473	-	24,473
Rights issue costs	(826)	-	-	-	-	-	-	-	-	(826)	-	(826)
Issue of convertible notes	-	-	-	-	-	-	252	-	-	252	-	252
Value of employee services received for issue of share options	-	-	-	-	-	780	-	-	-	780	-	780
Dividends paid to minority shareholder	-	-	-	-	-	-	-	-	-	-	(315)	(315)
At 31 March 2007	56,390	-	17,798	117	274	780	252	(92)	9,739	85,258	2,084	87,342

Company	Share capital	Share premium	Capital reserve	Share option reserve	Other reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 April 2005	8,899	23,844	18,168	-	-	(6,418)	44,493
Net loss for the year/Total recognised income and expenses for the year	-	-	-	-	-	(656)	(656)
Transfer of capital reserve upon expiry of warrants	-	-	(370)	-	-	370	-
Transfer from share premium upon implementation of the Companies (Amendment) Act 2005	23,844	(23,844)	-	-	-	-	-
At 31 March 2006	32,743	-	17,798	-	-	(6,704)	43,837
At 1 April 2006	32,743	-	17,798	-	-	(6,704)	43,837
Net loss for the year/Total recognised income and expenses for the year	-	-	-	-	-	(4,156)	(4,156)
Issue of shares from rights issue	24,473	-	-	-	-	-	24,473
Rights issue costs	(826)	-	-	-	-	-	(826)
Issue of convertible notes	-	-	-	-	252	-	252
Value of employee services received for issue of share options	-	-	-	780	-	-	780
At 31 March 2007	56,390	-	17,798	780	252	(10,860)	64,360

Note:

Capital Reserve

	Group	Company
	S\$'000	S\$'000
Capital Reduction Reserve	17,798	17,798

The Capital Reduction Reserve shall not be treated or used by the Company as a distributable reserve for dividend purposes save in connection with a capitalisation of reserve in accordance with Article 142 of the Articles of Association of the Company and the Companies Act, Chapter 50 of Singapore.

- 1(d)(ii) Details of any changes in the company's share capital arising from rights 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 year 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 year reported on and as at the end of the corresponding year of the immediately preceding financial year.**

On 27 March 2007, a total of 222,478,390 ordinary shares were allotted relating to the rights issue on the basis of one rights share for every four existing shares held by the shareholders. This gave rise to an increase in the Company's share capital from S\$32,743,609 as at 31 March 2006 to S\$56,389,678 as at 31 March 2007. Total number of ordinary shares issued as at 31 March 2007 was 1,112,391,951 shares (31 March 2006: 889,913,561 shares).

As at 31 March 2007, there were outstanding share options for conversion into 51,104,000 ordinary shares (31 March 2006: Nil) under the CSC Executive Share Option Scheme 2004.

On 27 March 2007, the Company issued S\$3,192,555 of Convertible Notes. These Convertible Notes are convertible into 70,945,667 ordinary shares at a conversion price of S\$0.045 per share.

- 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 Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors report (including any qualifications or emphasis of 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.**

Please refer to paragraph 5.

- 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.**

Accounting Policies

The financial statements for the year ended 31 March 2007 are prepared in accordance with the Singapore Financial Reporting Standards ("FRS") including related interpretations promulgated by the Council on Corporate Disclosure and Governance.

During the year under review, the Group adopted the following revised FRSs which are relevant to its operations:

FRS 21 (revised)	<i>The Effects of Changes in Foreign Exchange Rates</i>
FRS 39 (revised)	<i>Financial Instruments: Recognition and Measurement</i>
FRS 104 (revised)	<i>Insurance Contracts</i>

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within the Group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

The adoption of revised FRSs during the year under review did not give rise to any adjustments to the opening balances as at 1 April 2005 and 1 April 2006 and the results for the current or previous years or changes in comparatives.

The following comparatives have been reclassified to conform with current year's presentation:

	Amount Reported S\$'000	Amount reclassified S\$'000	As reclassified S\$'000
Balance Sheet			
<u>Current assets</u>			
Progress billings receivables	26,794	(1,376)	25,418
Trade and other receivables	<u>10,123</u>	<u>51</u>	<u>10,174</u>
<u>Current liabilities</u>			
Excess of progress billings over construction work-in-progress			
Cost incurred and attributable profit	208,652	183	208,835
Allowance for foreseeable losses	(1,327)	1,142	(185)
Progress billings	(209,416)	-	(209,416)
Excess of progress billings over construction work-in-progress	<u>(2,091)</u>	<u>1,325</u>	<u>(766)</u>
Income Statement			
Cost of sales	(93,266)	848	(92,418)
Other operating expenses	<u>(7,326)</u>	<u>(848)</u>	<u>(8,174)</u>

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

	12 months ended 31/03/2007	12 months ended 31/03/2006 (Restated) *
Earnings per ordinary share of the Group after deducting provision for preference dividends:-		
(a) Based on the weighted average number of ordinary shares on issue, and	0.87 cents	0.38 cents
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	0.86 cents	0.38 cents

	12 months ended 31/03/2007	12 months ended 31/03/2006
	S\$'000	S\$'000

Basic earnings per share is based on:

Net profit attributable to ordinary shareholders	<u>8,638</u>	<u>3,796</u>
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12 months ended 31/03/2007	12 months ended 31/03/2006
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**Number of shares
(Restated) ***

Weighted average number of ordinary shares
outstanding during the year, adjusted for
rights issue

	<u>991,900,093</u>	<u>987,804,053</u>
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12 months ended 31/03/2007	12 months ended 31/03/2006
S\$'000	S\$'000

Diluted earnings per ordinary share is based
on:

Net profit attributable to ordinary shareholders	8,638	3,796
Imputed interest on convertible notes, net of tax effect	<u>2</u>	<u>-</u>
Net profit attributable to ordinary shareholders adjusted for the effect of conversion of convertible notes	<u>8,640</u>	<u>3,796</u>

For the purpose of calculating the diluted earnings per ordinary shares, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the dilutive share options and convertible notes, with the potential ordinary shares weighted for the period outstanding.

The effect of the exercise of share options and convertible notes on the weighted average number of ordinary shares in issue is as follows:-

	12 months ended 31/03/2007	12 months ended 31/03/2006
	Number of shares (Restated) *	

Weighted average number of:

Ordinary shares used in the calculation of basic earnings per ordinary share	991,900,093	987,804,053
Potential ordinary shares issuable under share options	16,928,935	-
Potential ordinary shares issuable under convertible notes	<u>971,858</u>	<u>-</u>
Weighted average number of ordinary issued and potential shares assuming full conversion	<u>1,009,800,886</u>	<u>987,804,053</u>

* The earnings per ordinary share of the Group for the 12 months ended 31 March 2006 have been restated for the effect of the rights issue in the current financial year.

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 year reported on; and
(b) immediately preceding financial year.**

	As at 31/03/2007	As at 31/03/2006
<u>Group</u>		
Net asset value per ordinary share based on issued share capital at the end of the year reported on	7.9 cents	6.0 cents
<u>Company</u>		
Net asset value per ordinary share based on issued share capital at the end of the year reported on	5.8 cents	4.9 cents

The net asset value per share is calculated based on net asset value over the total number of ordinary shares issued as at 31 March 2007 of 1,112,391,951 shares (31 March 2006: 889,913,561 shares).

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 include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial year reported on, including (where applicable) seasonal or cyclical factors; and
(c) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial year reported on.**

The Group achieved substantially better results for the year ended 31 March 2007. Net profit improved by 112.5% to \$9.3 million (2006: \$4.4 million).

Revenue increased by 18.1% to \$126.7 million (2006: \$107.3 million). The increase was due largely to higher revenue from core activities in foundation engineering works and sales of industrial land.

The Group achieved a better gross profit margin of 15.4% for the year ended 31 March 2007 (2006: 13.8%). Gross profit improved by 31.9% to \$19.6 million (2006: \$14.8 million) and the improvement is attributable to its core business and after streamlining of its non-core operations.

Other operating income increased significantly by 693.3% to \$6.8 million (2006: \$0.9 million). Included in this was a gain of \$3.1 million on the disposal of the Group's industrial property at Tuas during the year and negative goodwill of \$1.3 million arising from the acquisition of a subsidiary. Other operating expenses increased by 50.1% to \$12.3 million (2006: \$8.2 million), mainly due to higher staff costs, rental expense of the industrial property and share option expenses.

Profit before income tax improved by 133.6% to \$11.2 million (2006: \$4.8 million). After taking into account the minority interest of \$0.7 million, the profit attributable to equity holders increased by 127.6% to \$8.6 million (2006: \$3.8 million).

Property, plant and equipment increased significantly to \$44.0 million as at 31 March 2007 when compared to \$15.4 million as at 31 March 2006. This is largely due to additions in plant and machinery and acquisition of a subsidiary during the year.

Net current assets increased significantly to \$55.3 million as at 31 March 2007 compared to \$20.7 million as at 31 March 2006. The Group's cash position improved significantly with cash and cash equivalents at the end of the year amounted to \$32.5 million.

Group's borrowings increased to \$54.5 million as at 31 March 2007 compared to \$29.8 million as at 31 March 2006. The increase was mainly due to new bank borrowings obtained to finance the expansion of operations and acquisitions. Debt/Equity ratio as at 31 March 2007 was 62.4% (31 March 2006: 55.7%).

Group equity further strengthened to \$87.3 million as at 31 March 2007 compared to \$53.6 million as at 31 March 2006. Group's net asset value per share increased to 7.9 cents from 6.0 cents.

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

Not applicable.

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.

The Singapore economy continued to grow at a healthy pace and expanded by 6.1% in the first quarter of 2007 (Q107). GDP at current market prices on a year-on-year basis for Q107 is 8.5% when compared to the whole year of 2006 at 8.1%.⁽¹⁾

For the year of 2006, the construction industry grew by 2.7%. For the first quarter of 2007, the industry surged by 9.7% (its strongest growth in 9 years) after a 4.7% gain in the previous quarter (4Q 2006).⁽¹⁾ BCA (Building & Construction Industry of Singapore) has forecasted \$17 billion to \$19 billion worth of construction projects in Singapore.

The industry is gaining momentum in light of major projects such as the integrated resorts at Marina Bay and Sentosa, business finance centre at Marina Bay, MRT extensions, Jurong Island underground cavern, Sports Hub, en-bloc sale projects, various building and construction projects at Orchard Road area and various developments in the petrochemical and pharmaceutical industries.

Although there are uncertainties such as fluctuating oil prices, escalating building material prices and shortage of resources that may affect the industry to a certain extent, the outlook for Singapore construction industry should be positive in the next 12 months. There is increasing acceptance of design & build in terms of construction method and this depends more & more on the respective contractor's resources and expertise.

The Group is now Singapore's no. 1 specialist foundation and geotechnical engineering provider. With our enhanced size and capabilities following the acquisition of L&M Foundation Specialists Pte Ltd and Soil Investigation in Singapore and G-Pile Sistem Sdn Bhd in Malaysia, we are now well poised to undertake major foundation engineering projects and increase our market share.

As of 23 May 2007, the Group's order book has increased to S\$372 million which includes the recently secured Marina Bay Sands Integrated Resort project amounting to approximately S\$240 million. In addition, some of our other major projects includes SHELL project at Pulau Ular, Intel Micron Flash Technologies plant at Woodlands, Clementi Town Centre Redevelopment, Horizon's Bulk Liquid Terminal at Jurong Island and Lucite chemical plant.

The Board of Directors is confident that the Group's performance for the current financial year will be significantly better than the prior year.

Note:

⁽¹⁾ Information contained in this section has been derived from the website of the Ministry of Trade and Industry, Singapore (<http://app.mti.gov.sg/>).

11. Dividend

(a) Current financial year reported on

Any dividend declared for the current financial period on? None

(b) Corresponding year of the immediately preceding financial year

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

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmental 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.

(a) Business segments

The Group comprises the following main business segments:-

Piling works and trading of goods : Piling works, manufacturing and trading of construction products.
 Sale and sublet of land : Property development, sales and rental of land.
 Trading & leasing of equipment : Trading and rental of heavy machinery, construction industrial equipment and its related services.

	Piling works & trading of goods S\$'000	Sale & sublet of land S\$'000	Trading & leasing of equipment S\$'000	Eliminations S\$'000	Consolidated S\$'000
<u>FY2006/2007</u>					
Revenue					
External sales	116,085	4,357	6,241	-	126,683
Inter-segment revenue	4,965	847	9,412	(15,224)	-
Total revenue	121,050	5,204	15,653	(15,224)	126,683
Segmental results	10,587	171	1,395	1,260	13,413
Unallocated expenses					(268)
Finance costs					(2,099)
Share of results of associates					227
Share of results of a jointly-controlled entity					(87)
Income tax expense					(1,878)
Profit for the year					<u>9,308</u>
<u>FY2005/2006</u>					
Revenue					
External sales	96,274	681	10,297	-	107,252
Inter-segment revenue	21,303	955	4,964	(27,222)	-
Total revenue	117,577	1,636	15,261	(27,222)	107,252
Segmental results	4,938	304	2,049	3	7,294
Unallocated expenses					(619)
Finance costs					(1,873)
Share of results of an associate					(13)
Income tax expense					(408)
Profit for the year					<u>4,381</u>

(b) Geographical segments

The Group’s business operations are predominantly carried out in Singapore.

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.

Please see "Financial Review" under Note 8.

15. A breakdown of sales as follows:-

	12 months ended 31/03/2007 S\$'000	12 months ended 31/03/2006 S\$'000	Change %
(a) Sales reported for the first half year	53,674	56,687	(5.3)
(b) Operating profit after tax before deducting minority interest reported for the first half year	5,147	1,497	243.8
(c) Sales reported for the second half year	73,009	50,565	44.4
(d) Operating profit after tax before deducting minority interest reported for the second half year	4,161	2,884	44.3

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

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Latest full year	Previous full year
Ordinary	-	-
Preference	-	-
Total	-	-

By Order of the Board

**Lee Quang Loong
Company Secretary
24 May 2007**