



ENGRO CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
Co. Reg. No. 197302229H

Full Year Financial Statement And Dividend Announcement

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

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

	Group			Group		
	4Q08 S\$'000	4Q07 S\$'000	% Change	FY 2008 S\$'000	FY 2007 S\$'000	% Change
Revenue	34,669	36,037	(3.8)	137,811	126,572	8.9
Changes in inventories of finished goods and work-in-progress	2,359	5,294	(55.4)	(757)	3,783	n.m.
Raw materials	(30,134)	(34,736)	(13.2)	(107,277)	(108,052)	(0.7)
Gain on disposal of property, plant and equipment	26	-	n.m.	178	36	n.m.
Investment income and gain / (loss) on disposal of investments	7	(669)	n.m.	1,189	1,358	(12.4)
Interest income	189	339	(44.2)	755	1,480	(49.0)
Dividend income	174	176	(1.1)	379	419	(9.5)
Other income	242	1,020	(76.3)	1,131	1,097	3.1
Exchange (loss) / gain	-	(951)	n.m.	1	(1,455)	n.m.
(Allowance) / Write-back for doubtful receivables and bad debts (written off) / recovered	(232)	10	n.m.	(828)	53	n.m.
Depreciation of property, plant and equipment	(482)	(438)	10.0	(1,784)	(1,696)	5.2
Negative goodwill arising from additional investment in subsidiary	-	15	n.m.	-	429	n.m.
Impairment losses on investments	(3,154)	(200)	n.m.	(3,307)	(200)	n.m.
Net change in fair value of financial assets held for trading	(1,375)	(4)	n.m.	(3,671)	1,761	n.m.
Staff costs	(3,336)	(2,720)	22.6	(10,782)	(10,021)	7.6
Rental expenses	(452)	(477)	(5.2)	(1,871)	(1,892)	(1.1)
Other expenses	(3,627)	(3,321)	9.2	(14,884)	(11,924)	24.8
Interest expenses	(228)	(329)	(30.7)	(909)	(1,302)	(30.2)
(Loss) / Profit before share of profit of associates	(5,354)	(954)	n.m.	(4,626)	446	n.m.
Share of profit of associates (net of tax)	1,164	1,695	(31.3)	8,552	5,343	60.1
(Loss) / Profit from ordinary activities before taxation	(4,190)	741	n.m.	3,926	5,789	(32.2)
Income tax credit	2,582	13	n.m.	2,310	2,570	(10.1)
Net (loss) / profit for the period ended	(1,608)	754	n.m.	6,236	8,359	(25.4)
Attributable to :						
Equity holders of the Company	(1,453)	800	n.m.	6,616	8,435	(21.6)
Minority interests	(155)	(46)	n.m.	(380)	(76)	n.m.
Net (loss) / profit for the period ended	(1,608)	754	n.m.	6,236	8,359	(25.4)

n.m. - not meaningful

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		Group	Company
	31.12.2008	31.12.2007	31.12.2008	31.12.2007	%	%
	S\$'000	S\$'000	S\$'000	S\$'000	Change	Change
Non-current assets						
Property, plant and equipment	10,918	10,897	783	570	0.2	37.4
Subsidiaries	-	-	66,340	66,657	0.0	(0.5)
Associates	57,872	50,161	33,387	30,205	15.4	10.5
Other investments	35,375	39,202	3,214	4,155	(9.8)	(22.6)
Other financial assets	956	5,140	956	5,140	(81.4)	(81.4)
	105,121	105,400	104,680	106,727	(0.3)	(1.9)
Current assets						
Inventories	11,327	12,627	5,490	5,508	(10.3)	(0.3)
Trade and other receivables	33,871	27,549	26,071	16,800	22.9	55.2
Other investments	16,807	20,149	2,415	1,913	(16.6)	26.2
Cash and cash equivalents	15,877	16,249	8,642	9,439	(2.3)	(8.4)
	77,882	76,574	42,618	33,660	1.7	26.6
Total assets	183,003	181,974	147,298	140,387	0.6	4.9
Equity attributable to equity holders of the Company						
Share capital	83,605	82,562	83,605	82,562	1.3	1.3
Reserves	67,228	65,860	45,572	40,157	2.1	13.5
	150,833	148,422	129,177	122,719	1.6	5.3
Minority interests	1,149	1,529	-	-	(24.9)	0.0
Total equity	151,982	149,951	129,177	122,719	1.4	5.3
Non-current liabilities						
Financial liabilities	1,705	13,102	620	11,364	(87.0)	(94.5)
Deferred tax liabilities	492	126	-	-	n.m.	0.0
	2,197	13,228	620	11,364	(83.4)	(94.5)
Current liabilities						
Trade and other payables	16,374	17,359	2,860	3,644	(5.7)	(21.5)
Financial liabilities	12,092	1,302	14,641	2,660	n.m.	n.m.
Current tax payable	358	134	-	-	n.m.	0.0
	28,824	18,795	17,501	6,304	53.4	n.m.
Total liabilities	31,021	32,023	18,121	17,668	(3.1)	2.6
Total equity and liabilities	183,003	181,974	147,298	140,387	0.6	4.9

n.m. - not meaningful

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 S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
11,350	600	402	900

Amount repayable after one year

As at 31.12.2008		As at 31.12.2007	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1,192	-	12,138	600

Details of any collateral

The Group's banking facilities are secured by :

- a) tradeable securities of a subsidiary with a carrying amount of S\$6.4 million;
- b) a structured deposit of a subsidiary with a carrying amount of S\$6.9 million;
- c) a legal charge on a subsidiary's freehold land and building with a carrying amount of S\$1.2 million;
- d) debenture incorporating fixed and floating charge for S\$2.1 million over all the assets of a subsidiary; and
- e) fixed deposits amounting to S\$3.2 million.

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 S\$'000	FY 2007 S\$'000
Operating activities		
Profit before income tax	3,926	5,789
Adjustments for:		
Allowance / (write-back) for doubtful receivables	250	(53)
Allowance / (write-back) for inventory obsolescence	157	(20)
Amortisation of financial guarantee	(633)	(199)
Bad debts written off	578	-
Depreciation of property, plant and equipment	1,784	1,696
Dividend income	(379)	(419)
Equity settled share-based payment transactions	414	195
Gain on disposal of property, plant & equipment	(178)	(36)
Impairment losses on investments	3,307	200
Interest expense	909	1,302
Interest income	(755)	(1,480)
Loss / (gain) on disposal of investments	285	(955)
Negative goodwill arising from additional investment in subsidiary	-	(429)
Net change in fair value of financial assets held for trading	3,671	(1,761)
Share of profit of associates (net of tax)	(8,552)	(5,343)
Operating profit / (loss) before working capital changes	<u>4,784</u>	<u>(1,513)</u>
Changes in working capital:		
Inventories	1,144	(3,611)
Trade and other receivables	(381)	(10,477)
Trade and other payables	(943)	4,538
Cash generated from / (used in) operations	<u>4,604</u>	<u>(11,063)</u>
Income tax recovered	2,550	3,230
Cash flows from operating activities	<u>7,154</u>	<u>(7,833)</u>
Investing activities		
Additional investment in subsidiary	-	(829)
Cash paid for investment in associates	(3,182)	(1,614)
Dividends received	371	389
Dividends received from associates	4,661	3,030
Interest received	772	862
Loan to associates	(2,357)	-
Proceeds from disposal of other investments	762	8,253
Proceeds from disposal of property, plant and equipment	231	75
Purchase of other investments	(2,684)	(3,607)
Purchase of property, plant and equipment	(1,848)	(2,575)
Repayment of loan received from an investee company	-	8,741
Cash flows from investing activities	<u>(3,274)</u>	<u>12,725</u>
Financing activities		
Deposits pledged	(565)	15
Dividends paid by the Company	(3,507)	(14,118)
Interest paid	(909)	(1,264)
Proceeds / (repayment) of finance leases, net	151	(319)
Proceeds from issue of shares under rights issue	-	11,585
Proceeds from issue of shares under share options scheme	1,043	-
(Repayment) / proceeds of short term borrowings	(401)	363
Repayment of long term borrowings	(642)	(948)
Cash flows from financing activities	<u>(4,830)</u>	<u>(4,686)</u>
Net (decrease) / increase in cash and cash equivalents	(950)	206
Cash and cash equivalents at beginning of period	13,655	13,479
Effect of exchange fluctuations on cash held	13	(30)
Cash and cash equivalents at end of period	<u>12,718</u>	<u>13,655</u>
Comprising:		
Fixed and term deposits	6,207	12,128
Demand deposits and cash in hand	9,670	4,121
	<u>15,877</u>	<u>16,249</u>
Deposits pledged	(3,159)	(2,594)
	<u>12,718</u>	<u>13,655</u>

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 S\$'000	Share option reserve S\$'000	Foreign currency translation reserve S\$'000	Fair value reserve S\$'000	Accumulated profit / (loss) S\$'000	Total attributable to equity holders of the parent S\$'000	Minority interests S\$'000	Total equity S\$'000
Group								
At 1 January 2007	70,977	18	90	2,869	66,351	140,305	2,863	143,168
Exchange differences on translation of financial statements of overseas subsidiaries	-	-	381	-	-	381	-	381
Exchange differences on monetary items forming part of net investment	-	-	(2,381)	-	-	(2,381)	-	(2,381)
Net change in fair value of equity securities available for sale transferred to income statement	-	-	-	20	-	20	-	20
Net change in fair value of equity securities available for sale	-	-	-	4,000	-	4,000	-	4,000
Net gain / (loss) recognised directly in equity	-	-	(2,000)	4,020	-	2,020	-	2,020
Net profit for the year	-	-	-	-	8,435	8,435	(76)	8,359
Total recognised income and expense for the year	-	-	(2,000)	4,020	8,435	10,455	(76)	10,379
Final dividend paid of 4 cents per share less tax at 18%	-	-	-	-	(2,533)	(2,533)	-	(2,533)
Interim dividend paid of 18.29 cents per share less tax at 18%	-	-	-	-	(11,585)	(11,585)	-	(11,585)
Value of employee services received for issue of share options	-	195	-	-	-	195	-	195
Issue of shares under rights issue	11,585	-	-	-	-	11,585	-	11,585
Purchase of shares from Minority Interest	-	-	-	-	-	-	(1,258)	(1,258)
At 31 December 2007	82,562	213	(1,910)	6,889	60,668	148,422	1,529	149,951
At 1 January 2008	82,562	213	(1,910)	6,889	60,668	148,422	1,529	149,951
Exchange differences on translation of financial statements of overseas subsidiaries	-	-	465	-	-	465	-	465
Exchange differences on monetary items forming part of net investment	-	-	(27)	-	-	(27)	-	(27)
Net change in fair value of equity securities available for sale transferred to income statement	-	-	-	1,224	-	1,224	-	1,224
Net change in fair value of equity securities available for sale	-	-	-	(3,817)	-	(3,817)	-	(3,817)
Net gain / (loss) recognised directly in equity	-	-	438	(2,593)	-	(2,155)	-	(2,155)
Net profit for the year	-	-	-	-	6,616	6,616	(380)	6,236
Total recognised income and expense for the year	-	-	438	(2,593)	6,616	4,461	(380)	4,081
Final one-tier dividend paid of 3 cents per share	-	-	-	-	(3,507)	(3,507)	-	(3,507)
Value of employee services received for issue of share options	-	414	-	-	-	414	-	414
Issue of shares under share option scheme	1,043	-	-	-	-	1,043	-	1,043
At 31 December 2008	83,605	627	(1,472)	4,296	63,777	150,833	1,149	151,982

Company	Share capital S\$'000	Share option reserve S\$'000	Fair value reserve S\$'000	Accumulated profit / (loss) S\$'000	Total equity S\$'000
At 1 January 2007	70,977	18	345	47,721	119,061
Net change in fair value of equity securities available for sale	-	-	(68)	-	(68)
Net profit for the year	-	-	-	6,064	6,064
Total recognised income and expense for the period	-	-	(68)	6,064	5,996
Final dividend paid of 4 cents per share less tax at 18%	-	-	-	(2,533)	(2,533)
Interim dividend paid of 18.29 cents per share less tax at 18%	-	-	-	(11,585)	(11,585)
Value of employee services received for issue of share options	-	195	-	-	195
Issue of shares under rights issue	11,585	-	-	-	11,585
At 31 December 2007	82,562	213	277	39,667	122,719
At 1 January 2008	82,562	213	277	39,667	122,719
Net change in fair value of equity securities available for sale transferred to income statement	-	-	(698)	-	(698)
Net change in fair value of equity securities available for sale	-	-	(37)	-	(37)
Net profit for the year	-	-	-	9,243	9,243
Total recognised income and expense for the period	-	-	(735)	9,243	8,508
Final one-tier dividend paid of 3 cents per share	-	-	-	(3,507)	(3,507)
Value of employee services received for issue of share options	-	414	-	-	414
Issue of shares under share option scheme	1,043	-	-	-	1,043
At 31 December 2008	83,605	627	(458)	45,403	129,177

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

As at 31 December 2008, the total number of Company's ordinary shares was 117,237,500.

During the year, the Company issued 1,385,000 ordinary shares under the Ssangyong Cement (Singapore) Ltd 2000 Employees' Share Options Scheme at exercise price of \$0.75 per ordinary share.

As at 31 December 2008, options to subscribe to 4,565,000 ordinary shares remained unexercised (31 December 2007: 2,805,000).

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

	<u>As at 31 Dec 2008</u>	<u>As at 31 Dec 2007</u>
Total number of issued shares	<u>117,237,500</u>	<u>115,852,500</u>

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 standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

These 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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as compared with the audited financial statements for the 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

Not applicable.

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

Profit per ordinary share for the period based on operating profit after tax attributable to members of the company after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares in issue

(ii) On a fully diluted basis

Group Figures	
FY 2008	FY 2007
5.66 cents	7.94 cents
5.64 cents	7.88 cents

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 period reported on and (b) immediately preceding financial year**

Net asset value per ordinary share based on existing issued share capital as at the end of the year reported on

Group		Company	
31.12.2008	31.12.2007	31.12.2008	31.12.2007
S\$1.29	S\$1.28	S\$1.10	S\$1.06

Net asset value per ordinary share is computed based on 117,237,500 ordinary shares as at 31 December 2008 (31 December 2007: 115,852,500 ordinary 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 discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Profit and Loss Statement (FY08 vs FY07)

Group revenue for FY08 registered S\$137.8 million, an increase of 8.9% over last year. The revenue growth stemmed primarily from improved performance in the cement and ready-mix business in Singapore. However, revenue from specialty polymer business dropped as a result of low demand amid a worsening economic climate.

Profit attributable to equity holders of the Company amounted to S\$6.6 million, declining 22% over the S\$8.4 million booked in FY07. The factors contributing to the drop in profit in FY08 are:

- a) Impairment losses recorded mainly for investments, in particular a US-based venture-backed company, which amounted to S\$3.1 million;
- b) Net fair value loss of S\$3.7 million (mainly from equity investments), as compared to a gain of S\$1.8 million in FY07;
- c) Increase in other expenses of S\$3 million. This can be largely attributed to higher: i) ground transportation expenses (delivery and trucking); ii) shipping and handling charges; and iii) repair & maintenance; all of which are incurred to support higher volume of cement and ready-mix concrete business in Singapore. This increase is partially offset by lower other expenses recorded by specialty polymer due to decrease in sales volume;
- d) Higher allowance of S\$0.8 million for doubtful debts and bad debts written off in FY08;
- e) Higher staff cost by S\$0.8 million, mainly due to: i) higher amortisation of option cost; and ii) higher salaries and bonus recorded by cement and ready-mix operations in Singapore, which are in line with higher sales volume and improved performance;
- f) Decrease in interest income of S\$0.7 million mainly due to lower loan principal outstanding (to an investee company) and lower interest rates;

The above are partially offset by the following:

- g) Increase in gross profit of S\$7.5 million, mainly from cement and ready-mix operations as result of continued strong demand for cement and building materials from the construction industry in Singapore. This increase in gross profit is partially offset by lower gross profit contribution from the specialty polymer business due to lower sales;
- h) Higher contribution from associates amounting to S\$3.2 million, mainly from China GGBS joint ventures;
- i) Decrease in exchange loss by S\$1.5 million as compared to FY07. Exchange loss can be attributed to a revaluation of the Group's US\$ net asset position against a weaker US\$ in FY07;
- j) Lower interest expenses are in line with lower outstanding loan amount and declining interest rates in FY08.

Balance Sheet (Group)

Total assets for the group registered S\$183 million as at end-December 2008, 0.6% higher than the S\$182 million asset base as at end-December 2007. The asset growth is fueled mainly by higher investment in overseas associates and growth in trade and other receivables.

Key variances in the FY08 balance sheet are:

Non-Current Assets

- a. Increased investment in associates (Tangshan Tanglong Materials Co, Ltd and Jiangsu Huailong Materials Co, Ltd) and share of associates' profits; and
- b. Decrease in other investments of S\$3.8 million is mainly attributable to impairment losses on a US-based venture-backed company and fair value (loss) on equity securities available for sale (which is recognised to equity);
- c. Decrease in other financial assets is due to the reclassification of a loan to an investee company (Ho Bee Cove Pte Ltd, amounting to S\$4.2 million) from non-current to current.

Current Assets

- a. Decline in inventories of S\$1.3 million, mainly attributed to lower inventory level maintained by specialty polymer;
- b. Increase in trade and other receivables of S\$6.3 million is mainly due to:
 - i) a loan to an associate company (HBS Investments Pte Ltd);
 - ii) reclassification of a loan to an investee company (Ho Bee Cove Pte Ltd) from non-current to current;
- c. Decline in other investments of S\$3.3 million reflects mainly the net fair value loss recorded for equity investments and structured deposits.

Equity

Increase in share capital is due to issuance of 1,385,000 ordinary shares under the Ssangyong Cement (Singapore) Ltd 2000 Employees' Share Options Scheme at exercise price of \$0.75 per ordinary share.

Non-Current Liabilities

Decrease in financial liabilities is attributed to a reclassification of S\$11 million long-term bank loan (which will be due within next 12 months) from non-current to current liabilities.

Current Liabilities

Increase in financial liabilities is mainly attributable to reclassification of S\$11 million long-term bank loan (as mentioned above).

Cash Flow

The Group's net cash generated from operating activities in FY08 was S\$7.2 million. Profit before tax was adjusted for adding back non-cash items, including net change in fair value of financial assets held for trading, impairment losses on investments, depreciation and share of net profit of associates. Net working capital outflow of S\$0.2 million resulted from a decrease in trade & other payables and increase in trade and other receivables, partially offset by drop in inventories.

The Group's net cash used in investing activities in FY08 was S\$3.3 million. The additional investment in associates, Jiangsu Huailong Materials Co Ltd and Tangshan Tanglong Materials Co Ltd, of S\$3.2 million largely accounted for the net cash used in FY08.

The Group's net cash used in financing activities in FY08 was S\$4.8 million. The Group paid out dividends amounting to S\$3.5 million and made net repayment of S\$1 million for bank borrowings in FY08.

Overall, the net cash outflow of the Group was S\$1 million for FY08.

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 global economic slowdown and recessionary conditions in Singapore are already impacting the Group. After reaching a record-high of \$34.6 billion in 2008, construction demand in 2009 is projected to slowdown to a range of between \$22 to 28 billion, according to the Building and Construction Authority (BCA).

Our cement and ready-mix concrete operations in Singapore are well-positioned to tap into the increased government spending and acceleration of public infrastructure projects announced during the Budget 2009 speech. In addition, the increasing focus and commitment towards the “greening” of Singapore’s infrastructure and living space should augur well for our eco-friendly, specialty cement products.

Leveraging on China’s RMB 4 trillion stimulus package which has a strong focus on infrastructure spending, and an increase in annual production capacity of specialty cement to 4.2 million tons, our Chinese joint venture associates are expected to continue contributing to the Group’s earnings.

Our specialty polymer business will remain under pressure from the worldwide manufacturing slump. We will take this opportunity to review and improve our performance in this segment.

Against a very tough and unprecedented operating environment in 2009, the Group will strive to capitalize on the opportunities provided by the infrastructure stimuli announced in both China and Singapore.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on ? Yes

	<u>Ordinary</u>
Name of Dividend	First and Final
Dividend Type	Cash
Dividend Amount	3.00 cts per ordinary share
Tax Rate	Tax-exempt (1-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

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

	<u>Ordinary</u>	<u>Ordinary</u>
Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount	18.29 cts per ordinary share	3.00 cts per ordinary share
Tax Rate	18.00%	Tax-exempt (1-tier)

(c) Date payable

To be advised later.

(d) Books closure date

The dividend payment date and the notice for the closure of the Register of Members and the Transfer books of the Company for the purpose of determining entitlement to the proposed final dividend will be advised after the forthcoming Annual General Meeting.

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

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 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	Cement and building materials S\$'000	Specialty Polymer S\$'000	Investments S\$'000	Eliminations S\$'000	Total S\$'000
Revenue and expenses					
2008					
Total revenue from external customers	88,350	49,461	-	-	137,811
Segment results	3,271	(2,967)	(4,776)	-	(4,472)
Share of profit of associates	8,525	-	27	-	8,552
	11,796	(2,967)	(4,749)	-	4,080
Finance costs					(909)
Interest income					755
Income tax credit					2,310
Profit for the year					6,236
Revenue and expenses					
2007					
Total revenue from external customers	51,321	75,251	-	-	126,572
Segment results	(2,362)	271	2,359	-	268
Share of profit of associates	4,983	-	360	-	5,343
	2,621	271	2,719	-	5,611
Finance costs					(1,302)
Interest income					1,480
Income tax credit					2,570
Profit for the year					8,359
Geographical Segments					
	Singapore S\$'000	Malaysia S\$'000	Greater China S\$'000	Eliminations S\$'000	Total S\$'000
Revenue					
2008					
External customers	104,172	19,927	13,712	-	137,811
Inter-segment sales	11	282	-	(293)	-
Total revenue	104,183	20,209	13,712	(293)	137,811
Revenue					
2007					
External customers	83,053	32,465	11,054	-	126,572
Inter-segment sales	-	1,903	-	(1,903)	-
Total revenue	83,053	34,368	11,054	(1,903)	126,572

- 14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Refer to Para 8.

15 **A breakdown of sales**

	Group		
	31.12.2008 S\$'000	31.12.2007 S\$'000	% Change
Sales reported for first half year	63,620	55,003	15.7
Operating profit after tax before deducting minority interests reported for first half year	3,346	4,919	(32.0)
Sales reported for second half year	74,191	71,569	3.7
Operating profit after tax before deducting minority interests reported for second half year	2,890	3,440	(16.0)

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 (S\$'000)	Previous Year (S\$'000)
Ordinary	3,517	15,092
Preference	0	0
Total :	3,517	15,092

17 **Interested Person Transactions**

Interested person transactions conducted during financial year 2008:

Name of Interested Person	Aggregate value of all interested person transactions during the financial under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions less than \$100,000)
	FY 2008	FY 2008
	S\$'000	S\$'000
Loan to an associated company		
- HBS Investments Pte Ltd	2,357	Not applicable
Provision of counter indemnity in proportion to EnGro's 30% shareholdings in HBS Investments Pte Ltd		
- Ho Bee Investment Ltd in favour of HBS Investments Pte Ltd	2,728	Not applicable

BY ORDER OF THE BOARD

Tan Cheng Gay
Chairman and CEO
20 February 2009