



## TIONG WOON CORPORATION HOLDING LTD

(Company Registration No. 199705837C)

### Half Year Financial Statement And Dividend Announcement for the Period Ended 31 December 2007

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

	The Group		Increase %
	6 Months Ended 31/12/2007 S\$'000	6 Months Ended 31/12/2006 S\$'000	
Turnover	<b>65,828</b>	44,141	49%
Cost of sales	<b>(41,310)</b>	(27,678)	49%
Gross profit	<b>24,518</b>	16,463	49%
Other miscellaneous gains (net)	<b>1,897</b>	1,344	41%
Expenses			
- Administrative	<b>(1,230)</b>	(531)	132%
- Other operating	<b>(10,714)</b>	(7,750)	38%
- Finance	<b>(1,649)</b>	(701)	135%
<b>Profit before tax</b>	<b>12,822</b>	8,825	45%
Income tax expense	<b>(2,204)</b>	(1,701)	30%
<b>Net profit</b>	<b>10,618</b>	7,124	49%
<b>Attributable to:</b>			
Equity holders of the Company	<b>10,552</b>	7,060	49%
Minority interest	<b>66</b>	64	3%
	<b>10,618</b>	7,124	49%

**Profit after tax was stated after (charging)/crediting:-**

Depreciation and amortisation	<b>(9,129)</b>	(6,453)
Foreign exchange loss - net	<b>(333)</b>	(145)
Net gain on disposal of plant and equipment	<b>1,515</b>	1,393
Allowance for doubtful receivables	-	(127)
Allowance for doubtful receivables written back	<b>109</b>	-
Interest income	<b>130</b>	36

**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**

	<b>The Group</b>		<b>The Company</b>	
	<b>31/12/2007</b>	30/06/2007	<b>31/12/2007</b>	30/06/2007
	<b>S\$'000</b>	S\$'000	<b>S\$'000</b>	S\$'000
<b>Current assets</b>				
Cash and cash equivalents	<b>16,555</b>	13,565	<b>76</b>	52
Trade and other receivables	<b>44,746</b>	30,369	-	-
Inventories	<b>1,181</b>	1,324	-	-
Financial assets at fair value through profit or loss	<b>1,349</b>	2,629	-	-
Tax recoverable	-	-	<b>2,016</b>	1,360
Other current assets	<b>5,064</b>	3,706	<b>13</b>	18
	<b>68,895</b>	51,593	<b>2,105</b>	1,430
<b>Non-current assets</b>				
Other assets	<b>107</b>	107	-	-
Other receivables	-	-	<b>46,606</b>	33,007
Investment in subsidiaries	-	-	<b>34,452</b>	34,247
Property, plant and equipment	<b>180,762</b>	154,914	-	-
Deferred income tax assets	<b>29</b>	34	<b>6</b>	6
	<b>180,898</b>	155,055	<b>81,064</b>	67,260
<b>Total assets</b>	<b>249,793</b>	206,648	<b>83,169</b>	68,690
<b>Current liabilities</b>				
Trade and other payables	<b>25,781</b>	16,701	<b>153</b>	238
Current income tax liabilities	<b>2,451</b>	1,791	-	-
Borrowings	<b>35,347</b>	29,000	<b>2,400</b>	1,500
	<b>63,579</b>	47,492	<b>2,553</b>	1,738
<b>Non-current liabilities</b>				
Deferred income tax liabilities	<b>12,152</b>	10,572	-	-
Borrowings	<b>53,958</b>	36,846	<b>21,000</b>	10,500
	<b>66,110</b>	47,418	<b>21,000</b>	10,500
<b>Total liabilities</b>	<b>129,689</b>	94,910	<b>23,553</b>	12,238
<b>Net assets</b>	<b>120,104</b>	111,738	<b>59,616</b>	56,452
<b>Share capital and reserves</b>				
Share capital	<b>50,048</b>	50,048	<b>50,048</b>	50,048
Other reserves	<b>(1,285)</b>	(383)	-	-
Retained earnings	<b>67,577</b>	58,375	<b>9,568</b>	6,404
<b>Total shareholders' equity</b>	<b>116,340</b>	108,040	<b>59,616</b>	56,452
<b>Minority interest</b>	<b>3,764</b>	3,698	-	-
	<b>120,104</b>	111,738	<b>59,616</b>	56,452

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

	<b>As at 31/12/2007</b>		As at 30/06/2007	
	<b>S\$'000</b>		S\$'000	
	<b>Secured</b>	<b>Unsecured</b>	Secured	Unsecured
<b>Amount repayable in one year or less, or on demand</b>	<b>15,980</b>	<b>19,367</b>	12,454	16,546

	<b>As at 31/12/2007</b>		As at 30/06/2007	
	<b>S\$'000</b>		S\$'000	
	<b>Secured</b>	<b>Unsecured</b>	Secured	Unsecured
<b>Amount repayable after one year</b>	<b>50,978</b>	<b>2,980</b>	33,871	2,975

**Details of any collateral**

Secured borrowings relate to hire purchase and term loan which are collateralised against equipment.

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

	<b>The Group</b>	
	<b>6 Months Ended 31/12/2007 S\$'000</b>	6 Months Ended 31/12/2006 S\$'000
<b>Cash flows from operating activities</b>		
Net profit	<b>10,618</b>	7,124
Adjustments for:		
Income tax	<b>2,204</b>	1,701
Depreciation of property, plant and equipment	<b>9,129</b>	6,453
Interest income	<b>(130)</b>	(36)
Interest expense	<b>1,649</b>	701
Net gain on disposal of plant and equipment	<b>(1,515)</b>	(1,393)
Net gain on disposal of financial assets held for trading	<b>(35)</b>	-
Fair value losses on financial assets at fair value through profit and loss	<b>788</b>	-
Exchange differences	<b>(903)</b>	36
<b>Operating cashflow before working capital changes</b>	<b>21,805</b>	14,586
Change in operating assets and liabilities:		
Trade and other receivables	<b>(14,370)</b>	(5,168)
Inventories	<b>144</b>	91
Other assets	<b>(1,359)</b>	(1,144)
Trade and other payables	<b>9,025</b>	5,695
Cash generated from operations	<b>15,245</b>	14,060
Income tax received/(paid)	<b>36</b>	(15)
<b>Net cash generated from operating activities</b>	<b>15,281</b>	14,045
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	<b>(17,893)</b>	(20,163)
Purchase of financial assets at fair value through profit and loss	<b>(14)</b>	-
Interest received	<b>130</b>	36
Proceeds from disposals of financial assets at fair value through profit and loss	<b>540</b>	-
Proceeds from disposals of plant and equipment	<b>3,335</b>	3,462
<b>Net cash used in investing activities</b>	<b>(13,902)</b>	(16,665)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	<b>26,622</b>	11,953
Repayments of borrowings	<b>(19,766)</b>	(8,613)
Repayments of finance lease liabilities	<b>(2,300)</b>	(1,331)
Interest paid	<b>(1,595)</b>	(677)
Dividends paid to shareholders	<b>(1,350)</b>	(1,013)
Dividends paid to minority interests	<b>-</b>	(500)
<b>Net cash generated from / (used in) financing activities</b>	<b>1,611</b>	(181)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>2,990</b>	(2,801)
Cash and cash equivalents at beginning of financial period	<b>13,565</b>	9,634
<b>Cash and cash equivalents at end of financial period</b>	<b>16,555</b>	6,833

**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**

**The Group**

**Attributable to equity holders of the Company**

	<b>Share Capital S\$'000</b>	<b>Other Reserves S\$'000</b>	<b>Retained Earnings S\$'000</b>	<b>Minority Interest S\$'000</b>	<b>Total Equity S\$'000</b>
<b>Balance at 1 July 2007</b>	<b>50,048</b>	<b>(383)</b>	<b>58,375</b>	<b>3,698</b>	<b>111,738</b>
Currency translation differences	-	(902)	-	-	(902)
Net profit	-	-	10,552	66	10,618
Dividend relating to 2007 paid	-	-	(1,350)	-	(1,350)
<b>Balance at 31 December 2007</b>	<b>50,048</b>	<b>(1,285)</b>	<b>67,577</b>	<b>3,764</b>	<b>120,104</b>
Balance at 1 July 2006	50,048	(1,078)	36,881	3,910	89,761
Currency translation differences	-	(81)	-	-	(81)
Net profit	-	-	7,060	64	7,124
Dividend relating to 2006 paid	-	-	(1,013)	(500)	(1,513)
Balance at 31 December 2006	50,048	(1,159)	42,928	3,474	95,291

**The Company**

	<b>Share Capital S\$'000</b>	<b>Retained Earnings S\$'000</b>	<b>Total S\$'000</b>
<b>Balance at 1 July 2007</b>	<b>50,048</b>	<b>6,404</b>	<b>56,452</b>
Net profit	-	4,514	4,514
Dividend relating to 2007 paid	-	(1,350)	(1,350)
<b>Balance at 31 December 2007</b>	<b>50,048</b>	<b>9,568</b>	<b>59,616</b>
Balance at 1 July 2006	50,048	3,501	53,549
Net profit	-	1,571	1,571
Dividend relating to 2006 paid	-	(1,013)	(1,013)
Balance at 31 December 2006	50,048	4,059	54,107

**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.**

Nil.

**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.**

Nil

**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.**

Nil

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

The figures presented are not audited nor reviewed.

**3 Whether 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 2008, the Group adopted the new or revised FRS and Interpretations to FRS (INT FRS) that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The following are the FRS and INT FRS that are relevant to the Group:

Amendments to FRS 1	Presentation of Financial Statements – Capital Disclosures
FRS 107	Financial Instruments: Disclosures
INT FRS 110	Interim Financial Reporting and Impairment

Except as disclosed above, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with the financial statements as at 30 June 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.**

There were no significant impact on the Group's financials arising from the effects of the implementation of the new and revised standards on net profit, net tangible assets and opening retained profits of the Group and of the Company.

- 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.**

	<b>31/12/2007</b>	31/12/2006
EPS based on existing issued share capital (cents)	<b>3.13</b>	2.09
On a fully diluted basis (cents)	<b>3.13</b>	2.09

EPS is calculated based on 337,576,410 (31/12/2006: 337,576,410) ordinary shares at the end of the financial period under review and of the immediately preceding financial period.

There were no potential dilutive ordinary shares in existence for the half year ended 31 December 2007 and 31 December 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.**

	<b>The Group</b>		<b>The Company</b>	
	<b>31/12/2007</b>	30/06/2007	<b>31/12/2007</b>	30/06/2007
Net asset value per ordinary share (cents)	<b>34.46</b>	32.00	<b>17.66</b>	16.72

Net asset value per share is calculated based on 337,576,410 (30/06/2007: 337,576,410) ordinary shares at the end of the financial period under review and of the immediately preceding financial year.

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**  
**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**  
**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

<b>Turnover</b>	<b>6 Months Ended 31/12/2007</b>	6 Months Ended 31/12/2006	Increase/ (Decrease)	%
	<b>S\$'000</b>	S\$'000	S\$'000	
Heavy Lift and Haulage	<b>44,173</b>	29,096	15,077	52%
Marine Transportation	<b>7,392</b>	8,630	(1,238)	-14%
Fabrication & Engineering	<b>9,089</b>	-	9,089	100%
Trading	<b>5,174</b>	6,415	(1,241)	-19%
	<b>65,828</b>	44,141	21,687	49%

The Group saw a significant increase in turnover of 49% to S\$65.8 million for the half year ended 31 December 2007, as compared to S\$44.1 million in the last corresponding period.

The increase in the Group's turnover was mainly attributed to the increased contribution from its Heavy Lift and Haulage segment and its new Fabrication & Engineering segment.

Turnover from Heavy Lift and Haulage segment rose by S\$15.1 million or 52% mainly due to the increase in equipment hiring rates and significant contributions from the Middle East and Asia Pacific region.

Turnover from Marine Transportation segment decreased by 14% due to the lower utilization rates for smaller equipment and fewer integrated haulage and marine projects undertaken by the Group.

Fabrication & Engineering segment registered its first turnover of S\$9.1 million for the first half year ended 31 December 2007.

Turnover from its Trading segment registered a decrease of 19% as the Group sold fewer cranes due to shortage in supply of new cranes as compared to the last corresponding period.

<b>Profit before tax</b>	<b>6 Months Ended 31/12/2007 S\$'000</b>	6 Months Ended 31/12/2006 S\$'000	Increase/ (Decrease) S\$'000	%
Heavy Lift and Haulage	<b>11,371</b>	6,077	5,294	87%
Marine Transportation	<b>2,910</b>	2,381	529	22%
Fabrication & Engineering	<b>(2,774)</b>	-	(2,774)	-100%
Trading	<b>1,315</b>	367	948	258%
	<b>12,822</b>	8,825	3,997	45%

The Group posted a record profit before tax of S\$12.8 million for the half year ended 31 December 2007, representing a 45% jump over the S\$8.8 million recorded for the same period in the previous year.

Profit before tax from its Heavy Lift and Haulage segment for the half year ended 31 December 2007 improved by S\$5.3 million or 87% compared to the corresponding period ended 31 December 2006. This was due to the higher turnover derived from its Heavy Lift and Haulage services coupled with effective cost controls on these projects.

Profit before tax from its Marine Transportation segment for the half year ended 31 December 2007 increased by 22% as compared to the corresponding period ended 31 December 2006 due to higher chartering rates for the larger marine equipment.

Profit before tax from its Trading segment for the half year ended 31 December 2007 increased by 258% despite a decrease in turnover as compared to the previous corresponding period ended 31 December 2006 mainly due to the increase in selling price of new equipment.

Fabrication and Engineering segment incurred a loss of S\$2.8 million mainly due to start-up costs incurred for its shipbuilding project and general yard development.

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

There was no forecast, or any prospect statement previously disclosed to shareholders.

**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 market conditions have improved and the Group expects positive growth and outlook for its Oil & Gas and Petrochemical sectors both locally and overseas. The Group will continue to actively pursue business opportunities in Infrastructure, Power Plants, Petrochemicals and Oil & Gas projects in key markets such as People's Republic of China, Thailand, Malaysia, Indonesia, Vietnam and the Middle East countries.

Going forward, the Group shall continue to implement its existing 5 pronged business strategies which are as follows:

- 1) To actively seek business opportunities in the emerging markets for the Group's core heavy lift and haulage segment;
- 2) To develop its fabrication and engineering competency for marine, oil & gas projects;
- 3) To invest in higher capacity and specialized equipment;
- 4) To forge strategic alliances and co-operation with international and industry players to jointly participate in the bidding for projects; and
- 5) To maintain active and tight management control of the Group's respective business activities.

**11 Dividend**

**(a) Current Financial Period Reported On**  
**Any dividend declared for the current financial period reported on?** No

**(b) Corresponding Period of the Immediately Preceding Financial Year**  
**Any dividend declared for the corresponding period of the immediately preceding financial year?** No

**(c) Date payable**

Not applicable

**(d) Book closure date**

Not applicable

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

The Group did not declare any dividend during the six months ended 31 December 2007 and 31 December 2006.

**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.**

Not applicable for half year results.

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

Not applicable for half year results.

**15 A breakdown of sales:-**

Not applicable for half year results.

**16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

Not applicable for half year results.

**17 Interested person transactions**

<b>Name of Interested Person</b>	<b>Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</b>	<b>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)</b>
	Nil	Nil

**18 Negative assurance confirmation on the interim financial results pursuant to Clause 705(4) of the Listing Manual of SGX-ST**

The board confirms that to the best of its knowledge, nothing has come to its attention which may render the interim financial results to be false or misleading in any material respect. A statement signed by two directors is on record.

**BY ORDER OF THE BOARD**

**Tiong Woon Corporation Holding Ltd**  
5 February 2008