

**UNAUDITED QUARTERLY FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FOURTH QUARTER AND THE YEAR ENDED 30 JUNE 2009****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.**

	Group			Group		
	3 months ended 30 June			12 months ended 30 June		
	4Q FY2009	4Q FY2008	Increase/ (Decrease)	FY2009	FY2008	Increase/ (Decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Shipbuilding	60,145	70,908	(15.2)	269,883	244,255	10.5
Shiprepair and other marine related services	20,565	21,242	(3.2)	69,336	68,226	1.6
Shipchartering and rental	21,497	23,228	(7.5)	96,223	87,959	9.4
Total revenue	102,207	115,378	(11.4)	435,442	400,440	8.7
Cost of sales	(83,118)	(95,974)	(13.4)	(357,405)	(327,813)	9.0
Gross profit	19,089	19,404	(1.6)	78,037	72,627	7.4
Other operating income	1,084	5,243	(79.3)	30,024	14,438	108.0
Administrative expenses	(3,234)	(2,958)	9.3	(11,539)	(10,378)	11.2
Other operating expenses	(3,546)	(629)	463.8	(7,590)	(2,031)	273.7
Finance costs	(1,699)	(1,342)	26.6	(6,475)	(5,328)	21.5
Share of results of jointly-controlled entities and associate	(22)	639	Nm	1,492	529	182.0
Profit before tax	11,672	20,357	(42.7)	83,949	69,857	20.2
Tax expense	(3,400)	(1,850)	83.8	(10,137)	(9,414)	7.7
Profit for the period/ year	8,272	18,507	(55.3)	73,812	60,443	22.1
Attributable to:						
Equity holders of the parent	7,488	18,149	(58.7)	71,070	60,296	17.9
Minority interests	784	358	119.0	2,742	147	1,765.3
	8,272	18,507	(55.3)	73,812	60,443	22.1

Nm: Not meaningful

1(a)(ii) Net profit for the year was stated after crediting/ (charging):-

	Group		Group	
	<u>3 months ended 30 June</u>		<u>12 months ended 30 June</u>	
	4Q FY2009	4Q FY2008	FY2009	FY2008
	\$'000	\$'000	\$'000	\$'000
Allowance for doubtful trade receivables	(331)	(509)	(3,600)	(818)
Allowance for doubtful non-trade receivables	-	-	(180)	(35)
Write back of allowance for doubtful trade receivables	3	9	142	1,034
Write back of allowance for doubtful non- trade receivables	-	-	6	-
Amortisation of lease prepayments	(51)	(49)	(200)	(197)
Bad debts written off	-	-	-	(1)
Depreciation of property, plant and equipment	(7,107)	(5,074)	(27,006)	(20,191)
Fair value (loss)/gain on forward currency contracts and interest rate swap	(149)	127	(1,092)	826
Gain on disposal of assets held for sale	559	809	20,044	809
Gain on disposal of property, plant and equipment	995	4,803	7,310	9,631
Impairment loss on property, plant and equipment	(3,217)	-	(3,950)	-
Interest income	58	206	516	1,519
Gain/ (loss) on foreign exchange (net)	(753)	(99)	452	(1,460)
Property, plant and equipment written off	-	(30)	(7)	(699)
Adjustment for over/ (under) provision of tax in respect of prior years				
- Current tax expense	269	522	(614)	221
- Deferred tax expense	(44)	-	117	(650)

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	
	30-Jun-09 \$'000	30-Jun-08 \$'000	30-Jun-09 \$'000	30-Jun-08 \$'000
Non-current assets				
Property, plant and equipment	397,305	255,458	124	148
Lease prepayments	4,124	4,246	-	-
Subsidiaries	-	-	31,370	20,370
Interest in jointly-controlled entities and associate	3,350	1,050	1,558	534
Finance lease receivables	-	1,238	-	-
Other receivables	-	-	2,212	2,095
	404,779	261,992	35,264	23,147
Current assets				
Inventories	12,409	22,759	-	-
Assets held for sale	845	34,572	-	26,540
Construction work-in-progress	108,375	64,125	-	-
Trade and other receivables	76,433	100,739	2,560	240
Finance lease receivables	1,717	1,372	-	-
Amount due from related parties	638	6,332	130,134	70,909
Derivative financial instruments	1,481	13,919	-	-
Cash and cash equivalents	96,012	102,995	17,984	26,832
	297,910	346,813	150,678	124,521
Current liabilities				
Trade and other payables	128,510	102,460	498	577
Progress billings in excess of construction work-in-progress	60,020	105,601	-	-
Amount due to related parties	117	-	35,918	5,767
Loan from minority shareholders of subsidiaries	1,862	1,899	-	-
Trust receipts	32,944	-	-	-
Interest-bearing loans and borrowings	76,567	26,831	39,024	23
Derivative financial instruments	4,246	3,844	822	118
Current tax liabilities	8,796	7,293	46	75
	313,062	247,928	76,308	6,560
Net current (liabilities)/ assets	(15,152)	98,885	74,370	117,961
Non-current liabilities				
Loan from minority shareholders of subsidiaries	1,475	1,397	-	-
Interest-bearing loans and borrowings	83,801	109,800	11,045	50,069
Deferred tax liabilities	9,308	9,484	-	-
	94,584	120,681	11,045	50,069
Net assets	295,043	240,196	98,589	91,039
Share capital	83,051	82,725	83,051	82,725
Treasury shares	(923)	-	(923)	-
Reserves	206,428	153,770	16,461	8,314
	288,556	236,495	98,589	91,039
Minority interests	6,487	3,701	-	-
Total equity	295,043	240,196	98,589	91,039

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

Amount repayable in one year or less, or on demand

As at 30-Jun-09		As at 30-Jun-08	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
33,567	75,944	26,831	-

Amount repayable after one year

As at 30-Jun-09		As at 30-Jun-08	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
72,801	11,000	59,800	50,000

Details of any collaterals

The Group's secured borrowings comprised term loans and finance leases which are secured by way of:

- Corporate guarantees from the Company and certain subsidiaries
- Legal mortgages of certain leasehold properties of subsidiaries
- Legal mortgages over certain vessels, plant and equipment of subsidiaries
- Assignment of charter income and insurance of certain vessels of subsidiaries

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

	<u>Group</u> <u>3 months ended</u> <u>30 June</u>		<u>Group</u> <u>12 months ended</u> <u>30 June</u>	
	4Q FY2009	4Q FY2008	FY2009	FY2008
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Profit before tax	11,672	20,357	83,949	69,857
Adjustments for:				
Amortisation of lease prepayments	51	49	200	197
Allowance for/ (write back of) doubtful receivables	328	500	3,632	(181)
Bad debts written off (trade)	-	-	-	1
Depreciation of property, plant & equipment	7,107	5,074	27,006	20,191
Fair value loss/ (gain) on forward currency contracts and interest rate swap	149	(127)	1,092	(826)
Gain on disposal of assets held for sale	(559)	(809)	(20,044)	(809)
Gain on disposal of property, plant and equipment	(995)	(4,803)	(7,310)	(9,631)
Impairment loss on property, plant and equipment	3,217	-	3,950	-
Interest expense	1,699	1,342	6,475	5,328
Interest income	(58)	(206)	(516)	(1,519)
Loss on dissolution of a subsidiary	-	-	-	52
Property, plant and equipment written off	-	30	7	699
Provision for warranty claims	(643)	500	(343)	600
Share of results of jointly-controlled entities and associate	22	(639)	(1,492)	(529)
Operating profit before working capital changes	21,990	21,268	96,606	83,430

Changes in working capital:				
Inventories	2,241	2,959	10,350	(12,078)
Construction work-in-progress and progress billings in excess of construction work-in-progress	(59,873)	(32,808)	(90,707)	7,695
Trade and other receivables	(1,170)	(35,218)	20,674	(6,113)
Trade and other payables	34,956	8,556	25,835	27,676
Balances with related parties (trade)	(299)	2,161	2,488	4,281
Cash (used in)/ generated from operations	(2,155)	(33,082)	65,246	104,891
Tax (paid)/ refund	(81)	57	(7,057)	(4,214)
Net cash (used in)/ generated from operating activities	(2,236)	(33,025)	58,189	100,677
Cash flows from investing activities				
Interest received	58	206	516	1,519
Investment in associate	-	(87)	(1,024)	(621)
Purchase of assets held for sale	(74)	(15,236)	(12,028)	(15,236)
Purchase of property, plant & equipment	(48,615)	(17,287)	(178,630)	(91,980)
Proceeds from disposal of assets held for sale	868	4,466	68,033	4,466
Proceeds from disposal of property, plant and equipment	3,870	11,226	20,675	37,577
Balances with related parties (non trade)	30	212	3,323	(600)
Net cash used in investing activities	(43,863)	(16,500)	(99,135)	(64,875)
Cash flows from financing activities				
Interest paid	(1,684)	(1,322)	(6,415)	(5,246)
Dividends paid	-	-	(11,984)	(8,317)
Repayment of interest-bearing loans and borrowings	(8,013)	(23,333)	(40,227)	(88,878)
Proceeds from interest-bearing loans and borrowings	12,781	60,483	59,390	122,777
Proceeds from/ (increase in) finance lease receivables	168	263	893	(152)
Proceeds from issue of shares	-	306	279	23,679
Purchase of treasury shares	-	-	(923)	-
Proceeds from loan from minority shareholders of subsidiaries	-	1,488	-	1,488
Repayment of loan from minority shareholders of subsidiaries	-	(1,414)	-	(1,531)
Repayment of trust receipts	(10,581)	(4,765)	(41,983)	(59,627)
Proceeds from trust receipts	21,020	-	74,927	35,476
Net cash generated from financing activities	13,691	31,706	33,957	19,669
Net (decrease)/ increase in cash and cash equivalents	(32,408)	(17,819)	(6,989)	55,471
Cash and cash equivalents at beginning of period/ year	128,433	120,900	102,995	47,668
Effects of exchange rate changes on opening cash and cash equivalents	(13)	(86)	6	(144)
Cash and cash equivalents at end of period/ year	96,012	102,995	96,012	102,995

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 period ended 30-Jun-09 and 30-Jun-08

Group	Attributable to equity holders of the parent									
	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Employee share option reserve \$'000	Foreign currency translation reserve \$'000	Hedging reserve \$'000	Accumulated profits \$'000	Total reserves \$'000	Minority interests \$'000	Total equity \$'000
FY2009										
At 1-Jul-08	82,725	-	-	54	(3,621)	7,513	149,824	153,770	3,701	240,196
Net change in hedging reserve	-	-	-	-	-	(9,906)	-	(9,906)	(84)	(9,990)
Net effect of exchange differences	-	-	-	-	3,525	-	-	3,525	128	3,653
Net income and expenses recognised directly in equity	-	-	-	-	3,525	(9,906)	-	(6,381)	44	(6,337)
Profit for the year	-	-	-	-	-	-	71,070	71,070	2,742	73,812
Total recognised income and expenses for the year	-	-	-	-	3,525	(9,906)	71,070	64,689	2,786	67,475
Dividends on ordinary shares	-	-	-	-	-	-	(11,984)	(11,984)	-	(11,984)
Issue of shares under ESOS ¹	326	-	-	(47)	-	-	-	(47)	-	279
Purchase of treasury shares	-	(923)	-	-	-	-	-	-	-	(923)
At 30-Jun-09	83,051	(923)	-	7	(96)	(2,393)	208,910	206,428	6,487	295,043
FY2008										
At 1-Jul-07	58,430	-	595	78	(1,656)	(2,375)	97,842	94,484	3,831	156,745
Net change in hedging reserve	-	-	-	-	-	9,888	-	9,888	(35)	9,853
Net effect of exchange differences	-	-	-	-	(1,965)	-	-	(1,965)	(242)	(2,207)
Net income and expenses recognised directly in equity	-	-	-	-	(1,965)	9,888	-	7,923	(277)	7,646
Profit for the year	-	-	-	-	-	-	60,296	60,296	147	60,443
Total recognised income and expenses for the year	-	-	-	-	(1,965)	9,888	60,296	68,219	(130)	68,089
Dividends on ordinary shares	-	-	-	-	-	-	(8,317)	(8,317)	-	(8,317)
Issue of shares under ESOS ¹	142	-	-	(24)	-	-	-	(24)	-	118
Issue of shares under warrants	24,153	-	(592)	-	-	-	-	(592)	-	23,561
Transfer of capital reserve on expired warrants	-	-	(3)	-	-	-	3	-	-	-
At 30-Jun-08	82,725	-	-	54	(3,621)	7,513	149,824	153,770	3,701	240,196

¹ ASL Employee Share Option Scheme

Statement of Changes in Equity for the period ended 30-Jun-09 and 30-Jun-08

<u>Company</u>	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Employee share option reserve \$'000	Hedging reserve \$'000	Accumulated profits \$'000	Total reserves \$'000	Total Equity \$'000
FY2009								
At 1-Jul-08	82,725	-	-	54	(118)	8,378	8,314	91,039
Net change in hedging reserve	-	-	-	-	(704)	-	(704)	(704)
Net expenses recognised directly in equity	-	-	-	-	(704)	-	(704)	(704)
Profit for the year	-	-	-	-	-	20,882	20,882	20,882
Total recognised income and expenses for the year	-	-	-	-	(704)	20,882	20,178	20,178
Dividends on ordinary shares	-	-	-	-	-	(11,984)	(11,984)	(11,984)
Issue of shares under ESOS ¹	326	-	-	(47)	-	-	(47)	279
Purchase of treasury shares	-	(923)	-	-	-	-	-	(923)
At 30-Jun-09	83,051	(923)	-	7	(822)	17,276	16,461	98,589
FY2008								
At 1-Jul-07	58,430	-	595	78	72	8,595	9,340	67,770
Net change in hedging reserve	-	-	-	-	(190)	-	(190)	(190)
Net expenses recognised directly in equity	-	-	-	-	(190)	-	(190)	(190)
Profit for the year	-	-	-	-	-	8,097	8,097	8,097
Total recognised income and expenses for the year	-	-	-	-	(190)	8,097	7,907	7,907
Dividends on ordinary shares	-	-	-	-	-	(8,317)	(8,317)	(8,317)
Issue of shares under ESOS ¹	142	-	-	(24)	-	-	(24)	118
Issue of shares under warrants	24,153	-	(592)	-	-	-	(592)	23,561
Transfer of capital reserve on expired warrants	-	-	(3)	-	-	3	-	-
At 30-Jun-08	82,725	-	-	54	(118)	8,378	8,314	91,039

¹ ASL Employee Share Option Scheme

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.

	Number of Ordinary Shares	ASL Employee Share Option Scheme ("ESOS")
Balance as at 30-Jun-08	300,876,002	594,000
Number of ESOS exercised	507,000	(507,000)
Number of ESOS cancelled	-	(25,000)
Number of treasury shares purchased	(1,794,000)	na
Balance as at 30-Jun-09	299,589,002	62,000

The total number of shares that may be issued on exercise of all outstanding share options granted under the ESOS are as follows:-

Category	Vesting Period	Exercise Period	Exercise Price	ESOS outstanding as at 30-Jun-09	ESOS outstanding as at 30-Jun-08
<u>Employees</u>					
	18-Dec-05	18-Dec-05 to 17-Dec-13	\$0.55	-	3,000
	18-Dec-06	18-Dec-06 to 17-Dec-13	\$0.55	62,000	91,000
				62,000	94,000
<u>Independent Directors</u>					
	18-Dec-04	18-Dec-04 to 17-Dec-08	\$0.55	-	200,000
	18-Dec-05	18-Dec-05 to 17-Dec-08	\$0.55	-	150,000
	18-Dec-06	18-Dec-06 to 17-Dec-08	\$0.55	-	150,000
				-	500,000
Total				62,000	594,000

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.

As at 30 June 2009 and 30 June 2008, the total number of issued shares excluding treasury shares were 299,589,002 and 300,876,002 respectively.

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.

During the current financial year reported on, the Company purchased a total of 1,794,000 treasury shares. There were no sales, transfers, disposal, cancellation and/or use of treasury shares.

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 a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial year reported as in the last audited financial statements.

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 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 based on net profit attributable to shareholders:-	Group 3 months ended 30 June		Group 12 months ended 30 June	
	4Q FY2009	4Q FY2008	FY2009	FY2008
(i) On weighted average number of ordinary shares in issue	2.50cts	6.03cts	23.68cts	21.09cts
(ii) On a fully diluted basis	2.50cts	6.02cts	23.68cts	20.41cts

Note to item 6 (i):

The calculation of basic earnings per ordinary share of the Group for the fourth quarter is based on net profit attributable to ordinary shareholders amounting to \$7,488,000 (4Q FY2008: \$18,149,000) and the weighted average of 299,589,002 (4Q FY2008: 300,868,529) ordinary shares in issue during the quarter.

The calculation of basic earnings per ordinary share of the Group for the year is based on net profit attributable to ordinary shareholders amounting to \$71,070,000 (FY2008: \$60,296,000) and the weighted average of 300,067,254 (FY2008: 285,931,421) ordinary shares in issue during the year.

Note to item 6 (ii):

The calculation of fully diluted earnings per ordinary share of the Group for the fourth quarter is based on net profit attributable to ordinary shareholders amounting to \$7,488,000 (4Q FY2008: \$18,149,000) and the weighted average of 299,604,229 (4Q FY2008: 301,234,980) ordinary shares in issue during the quarter.

The calculation of fully diluted earnings per ordinary share of the Group for the year is based on net profit attributable to ordinary shareholders amounting to \$71,070,000 (FY2008: \$60,296,000) and the weighted average of 300,094,093 (FY2008: 295,357,457) ordinary shares in issue during the year.

- 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	
	30-Jun-09	30-Jun-08	30-Jun-09	30-Jun-08
Net asset value per ordinary share based on issued share capital as at the respective balance sheet dates	96.32 cents	78.60 cents	32.91 cents	30.26 cents

Note:

The calculation of net asset value of the Group and of the Company is based on 299,589,002 (30-Jun-08: 300,876,002) ordinary shares in issue as at the respective balance sheet dates.

- 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.

REVIEW OF GROUP PERFORMANCE

(a) FY2009 vs FY2008

Group	FY2009			FY2008			Variance			
	Revenue	Gross Profit	Gross Profit Margin	Revenue	Gross Profit	Gross Profit Margin	Revenue		Gross Profit	
	\$'000	\$'000	%	\$'000	\$'000	%	\$'000	%	\$'000	%
Shipbuilding	269,883	26,353	9.8	244,255	25,120	10.3	25,628	10.5	1,233	4.9
Shiprepair and other marine related services	69,336	21,501	31.0	68,226	21,244	31.1	1,110	1.6	257	1.2
Shipchartering and rental	96,223	30,183	31.4	87,959	26,263	29.9	8,264	9.4	3,920	14.9
	435,442	78,037	17.9	400,440	72,627	18.1	35,002	8.7	5,410	7.4

Revenue

The Group's revenue increased by 8.7% from \$400.4 million for the 12 months ended 30 June 2008 ("FY2008") to \$435.4 million for the 12 months ended 30 June 2009 ("FY2009"). The Group recorded higher revenue in all three segments of shipbuilding, shiprepair and ship conversion as well as shipchartering.

Shipbuilding revenue was \$25.6 million higher mainly due to the progressive recognition of higher value shipbuilding projects undertaken. Progressive recognition of shipbuilding revenue commences when the work-in-progress reaches the 10% recognition threshold.

Shiprepair revenue increased marginally by \$1.1 million to \$69.3 million. Shiprepair revenue rose by a more modest sum due to the current global economic recession.

Shipchartering revenue was \$8.3 million higher mainly attributable to an increase in the Group's fleet size, a higher proportion of time charter revenue and more charter of third party's vessels which favourably impact the charter revenue of first nine months. The Group had a fleet size of 189 vessels as at 30 June 2009 as compared to 180 vessels as at 30 June 2008, comprising towing tugs, Anchor Handling Tugs, barges and other vessels.

Gross profit and gross profit margin

The Group's gross profit was 7.4% higher mainly due to increased earnings recorded by shipbuilding and shipchartering operations.

Shipbuilding operations recorded a lower gross profit margin of 9.8% mainly due to higher cost provisions on select projects during the year.

Shiprepair operations maintained its gross profit margin at 31%.

Shipchartering operations recorded a higher gross profit margin of 31.4% mainly due to more time charters which generally command better pricing and despite higher upkeep costs and charter hire of third party's vessels to meet customers' demand.

Other operating income

Other operating income more than doubled to \$30.0 million in FY2009.

Other operating income comprised:

1. Gain on disposal of plant and equipment of \$7.3 million (FY2008: \$9.6 million) from the sale of 24 vessels (FY2008: 24 vessels) to third parties. The disposals are part of the Group's fleet renewal program;
2. A net foreign exchange gain of \$0.5 million (FY2008: net foreign exchange loss of \$1.5 million was shown under other operating expense) arising from ongoing operations;
3. Gain on disposal of the jointly-controlled entity, ASL Energy Pte. Ltd. ("ASLE") of \$12.2 million and vessels held for sale of \$7.8 million (FY2008: vessels held for sale of \$0.8 million);
4. Miscellaneous income of \$1.7 million (FY2008: \$2.5 million) mainly due to lower insurance claims; and
5. Interest income of \$0.5 million (FY2008: \$1.5 million).

Administrative expenses

Administrative expenses increased by \$1.2 million to \$11.5 million. The increase was mainly attributed to higher manpower costs (increased by \$0.6 million) as well as an increase in select administrative expenses in line with higher business activities (Total revenue rose 8.7%).

Other operating expenses

Other operating expenses increased by \$5.6 million to \$7.6 million in FY2009. The increase was mainly due to higher net provision for doubtful receivables of \$3.6 million (FY2008: net write-back for doubtful receivables of \$0.2 million) and impairment loss on vessels of \$4.0 million (FY2008: Nil); partially offset by absence of net foreign exchange loss of \$1.5 million (net foreign exchange gain of \$0.5 million for FY2009 is shown under other operating income) and write-off of plant and equipment of \$0.7 million recorded in FY2008.

Finance costs

Finance costs of \$6.5 million were \$1.1 million higher due to increased borrowings including bond issuances in June 2008. The Group hedges against interest rate fluctuations on its long-term borrowings by way of interest rate swaps.

Share of results of jointly-controlled entities and associate

The share of results of jointly-controlled entities and of an associate of \$1.5 million was \$1.0 million higher as compared to FY2008.

The increase was mainly attributed to the share of earnings from HKR-ASL Joint Venture Limited of \$1.9 million in FY2009 (FY2008: \$0.7 million) for a shipchartering project which commenced in December 2007, the absence of share of losses from ASLE of \$0.1 million recorded in FY2008, partially offset by the share of \$0.4 million (FY2008: \$0.1 million) start-up losses incurred by newly incorporated associated companies, Fastcoat Industries Pte. Ltd. and its subsidiary.

The Group's investment in ASLE was classified under assets held for sale pursuant to a conditional share purchase and loan novation agreement entered in June 2008 to divest its entire 50 per cent. interest in ASLE. The divestment of ASLE was completed on 5 January 2009.

Profit before taxation

The Group's profit before taxation of \$83.9 million for FY2009 was \$14.1 million or 20.2% higher as compared to FY2008 attributed to growth in revenue and other operating income (including disposal of ASLE) despite rising construction costs, provisions and impairment loss on vessels.

Income tax expense

The Group recorded a higher taxation charge of \$10.1 million in FY2009 as compared to \$9.4 million in FY2008. The Group's effective tax rate of 11.8% for FY2009 was lower than the 13.7% recorded for FY2008 mainly attributed to capital gain of \$12.2 million on disposal of ASLE and 1% reduction in Singapore corporate tax rate to 17%.

Minority interests

Minority shareholders' share of profits increased by \$2.6 million mainly due to higher charter and shipbuilding earnings recorded by non-wholly owned foreign subsidiaries.

Operating cash flow

The Group recorded a lower net cash inflow from operating activities of \$58.2 million as compared to FY2008. The decrease was mainly attributed to higher work-in-progress incurred on shipbuilding projects partially offset by higher earnings recorded in FY2009.

The Group funded its capital expenditure and repayment of loans and borrowings through retained earnings, proceeds from disposal of plant and equipment and assets held for sale (including disposal of ASLE) and proceeds from new borrowings including bank loans and trust receipts.

(b) 4Q FY2009 vs 4Q FY2008

Group	4Q FY2009			4Q FY2008			Variance			
	Revenue	Gross Profit	Gross Profit Margin	Revenue	Gross Profit	Gross Profit Margin	Revenue		Gross Profit	
	\$'000	\$'000	%	\$'000	\$'000	%	\$'000	%	\$'000	%
Shipbuilding	60,145	6,238	10.4	70,908	6,445	9.1	(10,763)	(15.2)	(207)	(3.2)
Shiprepair and other marine related services	20,565	6,788	33.0	21,242	5,774	27.2	(677)	(3.2)	1,014	17.6
Shipchartering and rental	21,497	6,063	28.2	23,228	7,185	30.9	(1,731)	(7.5)	(1,122)	(15.6)
	102,207	19,089	18.7	115,378	19,404	16.8	(13,171)	(11.4)	(315)	(1.6)

The Group's business segments are subject to different degree of seasonality, with highest impact being experienced by the shipchartering operations. As a result, the quarter on quarter results may not be a good indicator of the overall trend of the Group's business or of the results for the whole of the financial year.

Revenue

For the 3 months ended 30 June 2009 ("4Q FY2009"), the Group's revenue of \$102.2 million was \$13.2 million lower as compared to the corresponding period in FY2008 ("4Q FY2008") due to the current global economic recession but more specifically to lower revenue recorded by shipbuilding and shipchartering operations.

Shipbuilding revenue was \$10.8 million lower mainly due to certain work-in-progress had yet to reach the 10% recognition threshold during the period.

Shiprepair revenue was marginally lower by \$0.7 million in 4Q FY2009.

Shipchartering revenue was \$1.7 million lower mainly due to lower vessel utilisation rate and higher trade discounts to customers in 4Q FY2009.

Gross profit and gross profit margin

The Group's gross profit of \$19.1 million was marginally lower than 4Q FY2008.

Shipbuilding operations gross profit margin of 10.4% was higher mainly due to progressive recognition of higher value projects undertaken.

Shiprepair operations recorded higher gross profit margin of 33.0% mainly attributed to higher margin repair, fabrication and outfitting jobs undertaken.

Shipchartering operations recorded lower gross profit margin mainly due to lower vessel utilisation rate, higher trade discounts to customers and higher upkeep costs.

Other operating income

Other operating income decreased by \$4.1 million to \$1.1 million in 4Q FY2009.

Other operating income comprised:

1. Gain on disposal of plant and equipment of \$1.0 million (4Q FY2008: \$4.8 million);

2. Miscellaneous income of \$0.8 million (4Q FY2008: \$0.3 million);
3. Interest income of \$0.1 million (4Q FY2008: \$0.2 million); offset by
4. A net foreign exchange loss of \$0.8 million (4Q FY2008: \$0.1 million)

Administrative expenses

Administrative expenses were \$0.3 million higher mainly attributed to higher manpower costs (increased by \$0.1 million) and increase in select administrative expenses.

Other operating expenses

Other operating expenses increased by \$2.9 million mainly due to impairment loss on vessels of \$3.2 million offset by a lower allowance of doubtful receivables (decreased by \$0.2 million).

Finance costs

Finance costs were higher by \$0.4 million mainly due to an increase in borrowings and a \$0.3 million fair value loss on interest rate swap.

Share of results of jointly-controlled entities and associate

The share of results of jointly-controlled entities and associate was a loss of \$22,000 as compared to \$0.6 million profit recorded in 4Q FY2008.

The loss was mainly due to the share of \$0.1 million (4Q FY2008: \$35,000) start-up losses incurred by newly incorporated associated companies, Fastcoat Industries Pte. Ltd. and its subsidiary partially offset by the share of earnings from HKR-ASL Joint Venture Limited of \$0.1 million (4Q FY2008: \$0.5 million).

Profit before taxation

The Group's profit before taxation of \$11.7 million for 4Q FY2009 was \$8.7 million lower as compared to 4Q FY2008 mainly due to lower other operating income and higher other operating expenses incurred in 4Q FY2009.

Income tax expense

The Group's taxation charge of \$3.4 million in 4Q FY2009 was \$1.6 million higher than 4Q FY2008 mainly due to lower proportion of exempt shipping profits and higher proportion of profits from shipyard operations at higher foreign tax rate.

Minority interests

Minority shareholders' share of profits increased by \$0.4 million mainly due to higher charter and shipbuilding earnings recorded by non-wholly owned foreign subsidiaries.

Operating cash flow

The Group recorded a lower net cash outflow from operating activities of \$2.2 million as compared to 4Q FY2008. This decrease was mainly due to comparatively higher receipts on trade receivables and lower payments on trade payables partially offset by higher work-in-progress incurred on shipbuilding projects.

REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2009

Non-current assets

Property, plant and equipment increased by \$141.8 million from \$255.5 million as at 30 June 2008 to \$397.3 million as at 30 June 2009. The increase was mainly due to acquisition of plant and equipment of \$183.2 million (inclusive of \$102.4 million for vessels, \$72.6 million for yard infrastructure development and vessels under construction and \$7.3 million for plant and machinery) partially offset by disposal of plant and equipment with aggregate net book value of \$13.4 million, depreciation charge of \$26.1 million, impairment loss of \$4.0 million, net transfer of vessels from assets held for sale of \$1.1 million and others (including the write-off of plant and equipment and foreign exchange differences) of \$1.0 million.

The Group's total depreciation charge was \$6.8 million higher as compared to FY2008 mainly attributed to increase in fleet size and acquisition of new plant and machinery.

Current assets

Current assets decreased by \$48.9 million from \$346.8 million as at 30 June 2008 to \$297.9 million as at 30 June 2009. The decrease was mainly due to lower inventories, assets held for sale, trade and other receivables, amount due from related parties, derivative financial instruments (details of which are laid out below) and cash and cash equivalents partially offset by increase in construction work-in-progress.

Inventories decreased by \$10.4 million mainly due to usage of raw materials (mainly steel) for shipbuilding and shiprepair projects.

Assets held for sale decreased by \$33.7 million mainly due to divestment of ASLE, loan repayment from ASLE and lower amount of vessels held for sale.

Trade receivables decreased by \$18.3 million to \$63.7 million. Average debtors turnover was 55 days as at 30 June 2009 as compared to 75 days as at 30 June 2008 on the back of increased management focus on collections. Other receivables decreased by \$6.0 million to \$12.7 million mainly due to lower receivables from disposal of vessels, downpayment made for purchase of vessels and insurance claims.

The decrease in the amount due from related parties was mainly due to repayments from ASLE and HKR-ASL Joint Venture Limited partially offset by increase in amount due from associated company, PT. Fastcoat Industries.

The Group enters into "plain vanilla" forward contracts to hedge for future receipts or payments only. The value of these derivative financial instruments assets decreased by \$12.4 million due to lower mark-to-market gains from foreign exchange forward contracts entered to hedge against foreign exchange rate fluctuations for trade receivables and trade payables as well as interest rate swaps entered to hedge against interest rate fluctuations for bank borrowings.

Cash and cash equivalents decreased by \$7.0 million to \$96.0 million as at 30 June 2009.

Current liabilities

Current liabilities increased by \$65.1 million from \$247.9 million as at 30 June 2008 to \$313.0 million as at 30 June 2009.

Trade and other payables increased by \$26.1 million mainly due to increase in trade payables of \$21.9 million while other payables increased by \$4.2 million. Other payables comprised mainly payables for expenditure incurred on yard developments and purchase of plant and equipment and deposits received on sale of vessels.

Current portion of interest-bearing loans and borrowings increased by \$49.7 million to \$76.6 million mainly due to re-classification of \$39 million Floating Rate Note bond due on 5 June 2010 from non-current liabilities in 4Q FY2009. Trust receipts increased by \$32.9 million mainly due to working capital funding for shipbuilding projects.

Derivative financial instruments liabilities increased by \$0.4 million due to higher mark-to-market losses derived mainly from interest rate swaps and foreign exchange forward contracts entered to hedge against interest rate and foreign exchange rate fluctuations for bank borrowings and trade receivables.

The Group recorded net current liabilities of \$15.2 million as at 30 June 2009 mainly due to payment made for acquisition of vessels where proceeds from new borrowings are expected to be received after FY2009.

The net current liabilities of \$15.2 million as at 30 June 2009 and net current assets of \$98.9 million as at 30 June 2008 included net construction work-in-progress of \$48.4 million and net progress billings in excess of construction work-in-progress of \$41.5 million respectively. The decrease in net progress billings in excess of construction work-in-progress was mainly attributed to higher work-in-progress incurred for shipbuilding projects. There were 33 shipbuilding projects as at 30 June 2009 (30 June 2008: 48 projects).

Non-current liabilities

Non-current liabilities decreased by \$26.1 million to \$94.6 million as at 30 June 2009 mainly due to lower interest-bearing loans and borrowings following the re-classification of \$39 million Floating Rate Note bond due on 5 June 2010 to current liabilities in 4Q FY2009.

Total interest-bearing loans and borrowings increased by \$23.7 million to \$160.4 million as at 30 June 2009. The increase was mainly due to new term loans and borrowings of \$63.9 million partially offset by redemption and repayment made of \$40.2 million during the year. Due to increase in borrowings, the Group's gearing ratio increased from 0.58 as at 30 June 2008 to 0.67 as at 30 June 2009.

Deferred tax liabilities decreased by \$0.2 million to \$9.3 million as at 30 June 2009.

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

In line with the prospect statement indicated in the third quarter financial statements announcement ("3Q FY2009") made on 11 May 2009, the Group recorded lower earnings for 4Q FY2009 as compared to 3Q FY2009 mainly due to lower other income and higher impairment provisions.

In the third quarter financial statements announcement made on 11 May 2009, the Group also announced plans to further strengthen its shipchartering fleet by taking delivery of 8 vessels worth approximately \$89 million. During 4Q FY2009, the Group had taken delivery of 3 vessels worth \$35 million.

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.

Overall

The outlook for new shipbuilding orders remains weak amidst current uncertainties over the economy recovery and the tight liquidity situation.

The Group however remains reasonably optimistic with respect to the longer term outlook of the shiprepair segment, on the back of its enhanced facility at its Batam yard, and the shipchartering segment, on the back of the Group's enlarged fleet.

The Group will continue its focus on strengthening project execution on existing order book deliveries, tightening cost control and cash flow management whilst seeking to make selective investments and exploit strategic opportunities in related businesses.

The Group's net profit for FY2009 of \$71.1 million included a one-off gain of \$12.2 million relating to divestment of ASLE.

Barring any unforeseen circumstances and fair value provisions and expected lower other operating income, the Group expects lower but healthy earnings for the financial year ending 30 June 2010 ("FY2010").

Shipbuilding and Shiprepair Operations

Progressive recognition of shipbuilding revenue commences when the work-in-progress reaches the 10% recognition threshold. As at 30 June 2009, the Group's shipbuilding operation had an outstanding order book of approximately \$523 million for external customers. The order book comprised 33 vessels, including offshore support vessels such as heavy lift and pipelay vessels, subsea operation vessels, tugs, self-propelled cutter suction dredgers and other vessels. Barring any unforeseen circumstances, approximately 56% of the order book is expected to be recognised in FY2010 with the balance stretched up to financial year ending 30 June 2011.

As at 30 June 2009, the Group has an outstanding order book of approximately \$16 million for shiprepair and ship conversion projects including fabrication and outfitting works to a Heavy Transport Vessel and conversion of a tanker into floating storage and offloading unit.

The Group expects the facility expansion at Batam yard for the lengthening of existing 150,000 dwt dry dock and the addition of two new medium-sized dry docks to be completed in the third quarter of FY2010.

Shipchartering Operations

The Group's shipchartering revenue consists of mainly short-term and ad-hoc contracts. Approximately 25% of shipchartering revenue in FY2009 came from long term chartering contracts (meaning contracts with a duration of more than one year). As at 30 June 2009, the Group had an outstanding order book of approximately \$13 million with respect to long term shipchartering contracts.

The Group expects the shipchartering segment to continue experiencing pricing pressures amidst the current economic environment. The Group however remains

positive of the medium to longer term outlook of the shipchartering segment which is underpinned by the continued activities in the marine infrastructure, harbour and terminal services sectors in Singapore, South East Asia as well as Australia.

The Group remains strategically committed to its fleet renewal and enhancement program and the current market weaknesses provide opportunity for the Group to exploit acquisition at relatively lower prices. The Group current plan is to increase its shipchartering fleet by taking delivery of 12 vessels worth approximately \$60 million including towing tugs, barges, Anchor Handling Towing/ Supply vessel and a tanker of which 7 vessels have committed charter. Of the 12 vessels, 11 vessels worth S\$58 million are being built internally by the Group.

11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	Final Dividend	Special Dividend
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	3.0 cents	1.0 cents
Tax Rate	One tier tax-exempt	One tier tax-exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	First & Final Dividend	Special Dividend
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	3.0 cents	1.0 cents
Tax Rate	One tier tax-exempt	One tier tax-exempt

(c) Date payable

The final and special dividends, if approved at the Annual General Meeting, will be paid on 10 November 2009.

(d) Books closure date

Notice is hereby given that the share transfer book and register of members of the Company will be closed on 31 October 2009. Duly completed transfers received by the Company's Registrar, M & C Services Private Limited up to the close of business at 5.00 p.m. on 30 October 2009 will be registered to determine shareholders' entitlements to the dividend. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said dividend will be paid by the Company to the CDP which will in turn distribute entitlements to holder of shares in accordance with its practice.

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.

(a) Business Segments

	Shipbuilding \$'000	Shiprepair & other marine related services \$'000	Shipchartering and rental \$'000	Investment holding \$'000	Eliminations \$'000	Consolidated \$'000
2009						
Revenue						
Revenue from external customers	269,883	69,336	96,223	-	-	435,442
Inter-segment revenue	73,411	33,439	39,242	12,000	(158,092)	-
Total revenue	343,294	102,775	135,465	12,000	(158,092)	435,442
Results						
Segment results	22,605	19,811	38,730	23,117	(13,001)	91,262
Unallocated expenses						(2,330)
Finance costs						(6,475)
Share of results of jointly-controlled entities and associate						1,492
Income tax expense						(10,137)
Profit for the year						73,812
Assets						
Segment assets	263,185	74,707	340,779	20,668	-	699,339
Unallocated assets						3,350
Total assets						702,689
Liabilities						
Segment liabilities	140,862	32,486	21,566	1,316	-	196,230
Unallocated liabilities						211,416
Total liabilities						407,646
Capital expenditure	15,344	8,828	159,032	-	-	183,204
Depreciation	7,246	1,770	17,966	24	-	27,006

	Shipbuilding \$'000	Shiprepair & other marine related services \$'000	Shipchartering and rental \$'000	Investment holding \$'000	Eliminations \$'000	Consolidated \$'000
2008						
Revenue						
Revenue from external customers	244,255	68,226	87,959	-	-	400,440
Inter-segment revenue	25,196	25,906	33,164	9,000	(93,266)	-
Total revenue	269,451	94,132	121,123	9,000	(93,266)	400,440
Results						
Segment results	23,089	20,137	36,100	8,958	(11,757)	76,527
Unallocated expenses						(1,871)
Finance costs						(5,328)
Share of results of jointly-controlled entities and associate						529
Income tax expense						(9,414)
Profit for the year						60,443
Assets						
Segment assets	251,091	78,572	230,283	47,809	-	607,755
Unallocated assets						1,050
Total assets						608,805
Liabilities						
Segment liabilities	167,773	26,288	20,449	691	-	215,201
Unallocated liabilities						153,408
Total liabilities						368,609
Capital expenditure	12,702	9,149	71,525	-	-	93,376
Depreciation	4,661	1,299	14,197	34	-	20,191

(b) Geographical segments

	Singapore \$'000	Indonesia \$'000	Rest of Asia \$'000	Europe \$'000	United States and Other Countries \$'000	Consolidated \$'000
2009						
Revenue from external customers	135,736	28,074	71,776	150,751	49,105	435,442
Capital expenditure	166,809	15,973	422	-	-	183,204
2008						
Revenue from external customers	115,327	19,292	39,782	130,925	95,114	400,440
Capital expenditure	79,639	12,508	1,229	-	-	93,376

The Directors believe it would be inaccurate to analyse the segment assets by geographical segment because certain vessels cannot be meaningfully allocated to the different geographical areas. For the shipchartering operations, charterers have the discretion to operate within a wide trading area and are not constrained by a specific sea route.

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 refer to item 8.

15. A breakdown of sales.

	30-Jun-09	Group 30-Jun-08	Increase
	\$'000	\$'000	%
Sales reported for first half year	226,342	193,373	17.0
Operating profit after tax before deducting minority interests reported for first half year	41,622	27,619	50.7
Sales reported for second half year	209,100	207,067	1.0
Operating profit after tax before deducting minority interests reported for second half year	32,190	32,824	(1.9)

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	Latest full year	Previous full year
	\$'000	\$'000
Ordinary	11,984	11,984
Preference	-	-
Total	11,984	11,984

BY ORDER OF THE BOARD

Ang Kok Tian
Chairman and Managing Director
19 August 2009