

[Print this page](#)**Half Year * Financial Statement And Dividend Announcement**

* Asterisks denote mandatory information

Name of Announcer *	JASPER INVESTMENTS LIMITED
Company Registration No.	198700983H
Announcement submitted on behalf of	JASPER INVESTMENTS LIMITED
Announcement is submitted with respect to *	JASPER INVESTMENTS LIMITED
Announcement is submitted by *	Lee Mee Kium
Designation *	Company Secretary
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>> Announcement Details

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For the Financial Period Ended *	30-09-2008
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JASPER INVESTMENTS LIMITED
(Company Registration No. 198700983H)

**Financial Statement Announcement for the Second Quarter and Six Months Ended
30/09/2008**

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			
	Second Quarter 30 September		Six Months 30 September	
	2008	2007	2008	2007
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue	49,712	2,544	81,027	4,066
Cost of sales	(25,387)	(2,253)	(41,809)	(3,584)
Gross Profit	24,325	291	39,218	482
Interest income	98	190	616	357
Other income	303	472	577	871
Other expenses-(expenses)/write back	447	(34)	(1,116)	(62)
Administrative and distribution expenses	(5,990)	(813)	(10,157)	(1,241)
Interest expense	(2,114)	(3)	(3,064)	(3)
Profit from associate and joint venture	2,817	997	3,629	1,210
Profit before taxation	19,886	1,100	29,703	1,614
Taxation	(13,753)	(165)	(21,831)	(231)
Profit for the period	6,133	935	7,872	1,383
Attributable to:				
Equity holders of the Company	4,496	935	5,618	1,383
Minority interests	1,637	-	2,254	-
	6,133	935	7,872	1,383

Notes:

- (i) The Company had changed its functional currency from Singapore Dollars (S\$) to United States Dollars (US\$) on 1 April 2008 as the Company's financing activities have been carried out in US\$.
- (ii) The substantial change during the period 1 April 2007 to 30 September 2008 was due to the inclusion of the financials of Neptune Marine Oil & Gas Ltd ("NMOG") and its subsidiaries since 12 December 2007.

Notes to income statement

Profit after taxation include the following :

Amortisation of intangible asset

Depreciation of plant and equipment

Unrealised foreign exchange loss

Realised foreign exchange loss

Group			
Second Quarter 30 September		Six Months 30 September	
2008	2007	2008	2007
US\$'000	US\$'000	US\$'000	US\$'000
1,637	-	3,138	-
5,104	42	10,247	77
1,199	-	566	-
728	191	943	184

Breakdown on Other expenses

Bank transaction fee (expense) / reversal ⁽¹⁾

Business development expenses

Group			
Second Quarter 30 September		Six Months 30 September	
2008	2007	2008	2007
US\$'000	US\$'000	US\$'000	US\$'000
447	-	(1,116)	-
-	4	-	(24)

Breakdown on Other income

Gain on disposal of investments

Recovery of debts - non-trade

Miscellaneous income

Group			
Second Quarter 30 Septmeber		Six Months 30 September	
2008	2007	2008	2007
US\$'000	US\$'000	US\$'000	US\$'000
-	8	-	368
-	435	-	435
303	29	577	68

Note:

(1) Reversal of bank transaction fee is due to an overprovision in the previous quarter.

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	
	30/09/2008 US\$'000	31/03/2008 US\$'000	30/09/2008 US\$'000	31/03/2008 US\$'000
<u>Non-Current Assets</u>				
Property, plant and equipment	784,783	628,105	304	63
Intangible asset	22,748	25,886	-	-
Investments	36	36	36	36
Subsidiaries	-	-	208,843	121,060
Associate	7,438	5,295	1,900	1,900
Joint venture	136	136	136	136
	815,141	659,458	211,219	123,195
<u>Current Assets</u>				
Work-in-progress	2,698	1,512	-	-
Inventory	8,125	4,992	-	-
Trade and other receivables	29,309	11,130	103,598	1,261
Asset held for sale	-	-	-	-
Cash and bank balances	15,319	45,730	3,721	24,552
	55,451	63,364	107,319	25,813
Total Assets	<u>870,592</u>	<u>722,822</u>	<u>318,538</u>	<u>149,008</u>
<u>Capital and Reserves</u>				
Share capital	307,513	24,672	307,513	24,672
Reserves	12,861	9,807	10,509	7,877
	320,374	34,479	318,022	32,549
Minority interests	212,254	210,000	-	-
Total equity	532,628	244,479	318,022	32,549
<u>Non-Current Liabilities</u>				
Borrowings	92,060	199,673	-	115,000
Deferred taxation	45	46	-	-
	92,105	199,719	-	115,000
<u>Current Liabilities</u>				
Trade and other payables	57,166	53,522	516	1,459
Borrowings	188,428	224,958	-	-
Provision for taxation	265	144	-	-
	245,859	278,624	516	1,459
Total liabilities	337,964	478,343	516	116,459
Total Equity and Liabilities	<u>870,592</u>	<u>722,822</u>	<u>318,538</u>	<u>149,008</u>

Notes:

- (i) Property, plant and equipment and intangible asset as at 31 March 2008 had been restated to include adjustments of fair value.
- (ii) Asset held for sale relates to an investment which had been fully provided.

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

Amount repayable in one year or less, or on demand

<u>As at 30/09/2008</u>		<u>As at 31/03/2008</u>	
<u>US\$'000</u>		<u>US\$'000</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
183,429	7,001	230,007	432

Amount repayable after one year

<u>As at 30/09/2008</u>		<u>As at 31/03/2008</u>	
<u>US\$'000</u>		<u>US\$'000</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
91,820	399	85,118	97

Notes:-

- (i) The Group's secured borrowings comprised term loans and finance leases which are secured by way of the following:-
- Legal mortgage of freehold property of subsidiary
 - Legal mortgage over certain vessels, plant and equipment of subsidiaries
 - Assignment of charter contract and insurances of vessels of subsidiaries
 - Pledge of shares in a subsidiary
- (ii) On 19 September 2008, one of NMOG's subsidiary signed an agreement for a US\$290 million loan facility ("Facility"), of which part of the proceeds had been used to refinance existing borrowings. The US\$183.4 million secured loan repayable in less than one year includes a US\$170 million loan due to a bank which will be refinanced from the drawdown of the second tranche of the Facility, upon the completion of the upgrade of the Explorer.

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

	Group			
	Second Quarter 30 September		Six Months 30 September	
	2008	2007	2008	2007
	US\$'000	US\$'000	US\$'000	US\$'000
<u>Cash flows from operating activities</u>				
Profit before taxation	19,886	1,100	29,703	1,614
Adjustments for :				
Depreciation of property, plant and equipment	5,104	42	10,247	77
Exchange difference on translation	(148)	763	(67)	603
Write off of property, plant and equipment	38	1	38	1
Amortisation of intangible asset	1,637	-	3,138	-
Interest income	(98)	(190)	(616)	(357)
Interest expense	2,114	3	3,064	3
(Gain)/loss on disposal/deconsolidation of subsidiaries	-	69	-	(363)
Gain on disposal of property, plant and equipment	(95)	-	(95)	-
Gain on disposal of quoted equity investments	-	(17)	-	(17)
Foreign exchange loss - unrealised	1,199	184	566	184
Impairment in value of joint venture	2	37	3	38
Share of profit of associate and joint venture	(2,817)	(997)	(3,629)	(1,210)
Operating profit before working capital changes	26,822	995	42,352	573
Changes in working capital				
-(increase)/decrease in inventories	(2,468)	301	(3,133)	(287)
-increase in work-in-progress	(962)	(59)	(1,185)	(240)
-(increase)/decrease in operating receivables	(13,241)	(1,191)	(18,178)	805
-(decrease)/increase in operating payables	(26,801)	1	(17,781)	(107)
Cash generated from/(used in) operations	(16,650)	47	2,075	744
Income taxes paid	-	(47)	-	(47)
Net cash generated from/(used in) operating activities	(16,650)	-	2,075	697
<u>Cash flows from investing activities</u>				
Interest received	144	168	615	289
Dividend from joint venture	821	15	821	15
Acquisition of :				
-property, plant and equipment (Note A)	(24,622)	(635)	(166,526)	(648)
Proceeds from :				
-disposal of property, plant and equipment	126	-	126	-
-disposal of quoted equity investments	-	25	-	25
Net cash inflow from disposal of subsidiaries (Note B)	-	99	-	5,104
Net cash (used in)/generated from investing activities	(23,531)	(328)	(164,964)	4,785
<u>Cash flows from financing activities</u>				
Proceeds from issued of new shares (Note C)	-	5,212	280,434	5,212
Interest paid	(2,114)	(3)	(3,064)	(3)
Fixed deposits (pledge)/release as security	2,529	-	(2,623)	-
(Repayment to) / Loan from :				
-hire purchase creditor	(53)	(12)	(80)	(23)
-bank loan	(14,752)	-	(29,246)	-
-shareholder loan	-	-	(115,000)	-
Net cash generated from/(used in) financing activities	(14,390)	5,197	130,421	5,186
Net (decrease)/increase in cash and cash equivalents	(54,571)	4,869	(32,468)	10,668
Effect of foreign exchange rate changes	(1,199)	(184)	(566)	(184)
Cash and cash equivalents at the beginning	68,466	24,812	45,730	19,013
Cash and cash equivalents at the end (Note D)	12,696	29,497	12,696	29,497

(A) Purchase of property, plant and equipment

During the financial period, the Group acquired plant and equipment with an aggregate cost of US\$167,093,000 (2007 - US\$648,000) of which US\$567,000 (2007 - US\$Nil) was acquired by means of finance lease. Cash payments of US\$166,526,000 (2007 - US\$648,000) were made for the purchases.

(B) Disposal/deconsolidation of subsidiaries and joint ventures

The assets disposed of and liabilities discharged were as follows:-

Bank borrowings
Deferred taxation
Marketable securities
Inventories
Cash and bank balances
Receivables
Payables
Minority interests

Additional gain on disposal
Sales proceeds
Currency exchange difference
Deferred sales proceeds received in April 2007
Cash inflow from disposal of subsidiaries

Group			
Second Quarter 30 September		Six Months 30 September	
2008	2007	2008	2007
US\$'000	US\$'000	US\$'000	US\$'000
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	(69)	-	363
-	(69)	-	363
-	10	-	8
-	158	-	4,733
-	99	-	5,104

(C) Issuance of shares

Issuance of shares
Cash consideration

Group			
Second Quarter 30 September		Six Months 30 September	
2008	2007	2008	2007
US\$'000	US\$'000	US\$'000	US\$'000
-	5,212	280,434	5,212
-	5,212	280,434	5,212

(D) Cash and Cash Equivalents

Fixed deposits
Cash and bank balances

Fixed deposits pledged to bank
Cash and cash equivalents in consolidated cash flow statement

Group	
As at 30 September	
2008	2007
US\$'000	US\$'000
5,032	28,479
10,287	1,018
15,319	29,497
(2,623)	-
12,696	29,497

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 financial year ended 30/09/2008

Company	Share Capital US\$'000	Other Reserve US\$'000	Exchange Translation Reserve US\$'000	(Accumulated Losses)/ Retained Profits US\$'000	Grand Total US\$'000
6 months ended 30 September 2008					
Balance as at 01/04/2008	24,672	-	2,853	5,024	32,549
Issued during the period	280,434	-	-	-	280,434
Reclassification of exchange translation reserve	2,407	-	(2,853)	446	-
Currency translation difference recognised directly in equity	-	-	-	130	130
Profit for the period	-	-	-	1,895	1,895
Total recognised gains and losses for the period	-	-	-	2,025	2,025
Balance as at 30/06/2008	307,513	-	-	7,495	315,008
Balance as at 30/06/2008	307,513	-	-	7,495	315,008
Profit for the period	-	-	-	3,014	3,014
Total recognised gains and losses for the period	-	-	-	3,014	3,014
Balance as at 30/09/2008	307,513	-	-	10,509	318,022
6 months ended 30 September 2007					
Balance as at 01/04/2007	19,046	414	-	7,324	26,784
Currency translation difference recognised directly in equity	-	-	(229)	-	(229)
Profit for the period	-	-	-	307	307
Total recognised gains and losses for the period	-	-	(229)	307	78
Balance as at 30/06/2007	19,046	414	(229)	7,631	26,862
Balance as at 30/06/2007	19,046	414	(229)	7,631	26,862
Issued during the period	5,212	-	-	-	5,212
Reclassification of other reserve	414	(414)	-	-	-
Currency translation difference recognised directly in equity	-	-	1,032	(307)	725
Profit for the period	-	-	-	83	83
Total recognised gains and losses for the period	-	-	1,032	(224)	808
Balance as at 30/09/2007	24,672	-	803	7,407	32,882

Statement of Changes in Equity for the financial year ended 30/09/2008

	Share Capital US\$'000	Other Reserve US\$'000	Exchange Fluctuation Reserve US\$'000	Total Reserve US\$'000	(Accumulated Losses)/ Retained Profits US\$'000	Minority Interests US\$'000	Grand Total US\$'000
Group							
6 months ended 30 September 2008							
Balance as at 01/04/2008	24,672	2,982	3,698	6,680	2,584	209,423	243,359
Effect of FRS 103 - Subsequent changes	-	-	-	-	543	577	1,120
Restated opening balance at 01/04/2008	24,672	2,982	3,698	6,680	3,127	210,000	244,479
Issued during the period	280,434	-	-	-	-	-	280,434
Reclassification of exchange translation reserve	2,407	-	(2,407)	(2,407)	-	-	-
Currency translation difference recognised directly in equity	-	-	62	62	-	-	62
Profit for the period	-	-	-	-	1,122	617	1,739
Total recognised gains and losses for the period	-	-	62	62	1,122	617	1,801
Balance as at 30/06/2008	307,513	2,982	1,353	4,335	4,249	210,617	526,714
Balance as at 30/06/2008	307,513	2,982	1,353	4,335	4,249	210,617	526,714
Currency translation difference recognised directly in equity	-	-	(219)	(219)	-	-	(219)
Profit for the period	-	-	-	-	4,496	1,637	6,133
Total recognised gains and losses for the period	-	-	(219)	(219)	4,496	1,637	5,914
Balance as at 30/09/2008	307,513	2,982	1,134	4,116	8,745	212,254	532,628
6 months ended 30 September 2007							
Balance as at 01/04/2007	19,046	3,396	502	3,898	7,226	-	30,170
Currency translation difference recognised directly in equity	-	-	(257)	(257)	-	-	(257)
Profit for the period	-	-	-	-	448	-	448
Total recognised gains and losses for the period	-	-	(257)	(257)	448	-	191
Balance as at 30/06/2007	19,046	3,396	245	3,641	7,674	-	30,361
Balance as at 30/06/2007	19,046	3,396	245	3,641	7,674	-	30,361
Issued during the period	5,212	-	-	-	-	-	5,212
Reclassification of other reserve	414	(414)	-	(414)	-	-	-
Currency translation difference recognised directly in equity	-	-	1,178	1,178	(448)	-	730
Profit for the period	-	-	-	-	1,383	-	1,383
Total recognised gains and losses for the period	-	-	1,178	1,178	935	-	2,113
Balance as at 30/09/2007	24,672	2,982	1,423	4,405	8,609	-	37,686

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 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.

Since the end of the previous financial period, there have been no changes in the Company's issued share capital.

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.

The total number of issued shares, excluding treasury shares, as at 30 September 2008 was 1,149,529,959 compared to 9,579,417,415(pre-Rights Issue and share consolidation) as at 31 March 2008.

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

Not Applicable.

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

These figures have not been audited nor reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

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

Except as disclosed under item 5 below, the Group has applied the same accounting policies and methods of computation as in the most recently audited financial statements for the year ended 31 March 2008.

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.

The computation of depreciation has changed due to the revision of the estimated useful life of Neptune Discoverer ("Discoverer") from 10 years to 15 years from date of initial commencement of operations. This was done after having reviewed the expected usage and considered class renewal surveys and inspections.

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.

The earnings per share is calculated by dividing the profit attributable to shareholders of US\$5,618,000 (30 September 2007: US\$1,383,000) by the weighted average number of shares of 1,021,804,415 (30 September 2007: 324,843,363 shares) in issue during the financial period.

The diluted earnings per share is calculated by dividing the profit attributable to shareholders of US\$5,618,000 (30 September 2007: US\$1,383,000) by the adjusted weighted average number of shares of 1,021,804,415 (30 September 2007: 324,843,363) in issue during the financial period.

Number of shares as at 30 September 2007 had been restated to include share consolidation on assumption that share consolidation had been effected on 1 April 2007.

	<u>Group</u>			
	<u>Second Quarter 30 September</u>		<u>Six Months 30 September</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Basic EPS (in cents - US\$)	0.440	0.288	0.550	0.426
Fully diluted EPS (in cents - US\$)	0.440	0.288	0.550	0.426

7. Net assets value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the :-

- (a) current financial period reported on; and
 (b) immediately preceding financial year.

	<u>Group</u>		<u>Company</u>	
	<u>30/09/2008</u>	<u>31/03/2008</u>	<u>30/09/2008</u>	<u>31/03/2008</u>
Net Assets Value ("NAV") per share (in cents - US)	27.87	8.86	27.67	8.49

NAV per share is calculated by dividing the net assets by the existing issued share capital of 1,149,529,959 shares (31 Mar 2008: 383,176,697 shares).

Number of shares as at 31 March 2008 had been restated to include share consolidation on assumption that share consolidation had been effected on 31 March 2008.

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.

H1 FY2009 versus H1 FY2008

In H1 FY2009, Group revenue grew by US\$77 million to US\$81 million compared to US\$4 million in H1 FY2008. The substantial increase in H1 revenue over the same period last year was attributable mainly to the inclusion of the revenues of the NMOG and its subsidiaries.

The Group reported pretax profit of US\$29.7 million in H1 FY2009. After deducting tax of US\$21.8 million, of which US\$ 21 million was withholding tax for income derived by NMOG in Venezuela, the Group recorded a profit after tax and minority interest of US\$5.6 million in H1 FY2009 as compared to US\$1.4 million in H1 FY2008.

Offshore Contract Drilling

NMOG and its subsidiaries

Turnover was US\$68.6 million, which included mobilization fee of US\$15.6 million and drilling income of US\$53 million from the Discoverer which had been contracted out to PdVSA, the state oil company of Venezuela.

For the period June to September 2008, the Discoverer achieved the following operating performance rates:-

Jun 08 – 98.7% (started operation on 10th June)
Jul 08 – 80.5%
Aug 08 – 98.7%
Sep 08 – 97.9%

Operating performance is defined as $((T-R-Z)/T)*100\%$

Operating hours = O, Standby hours = S, Repair hours = R, Zero hours = Z, Total hours, T = O+S+R+Z

NMOG's other drillship, the Neptune Explorer ("Explorer") is currently undergoing upgrading works and has yet to generate revenues for the Group. NMOG had in April 2008 purchased a semi-submersible, the Neptune Finder ("Finder").

NMOG generated earnings before interest, depreciation and amortisation of US\$18.7 million for H1 FY2009.

Net Profit after Tax contributed by NMOG was US\$2.1 million after offsetting depreciation of US\$7.5 million, amortization of intangible asset US\$3.1 million, interest expenses of US\$3.8 million and taxation of US\$21 million. Minority share of NMOG's profit was US\$2.25 million.

Building Services

Reflecting strong conditions in Singapore's construction industry, turnover for precast operations increased by 200% from US\$4.1 million in H1 FY2008 to US\$12.4 million in H1 FY2009. Net profit before tax increased from approximately US\$114,000 in H1 FY2008 to approximately US\$ 587,000 in H1 FY2009.

Resource Piling, our bored piling associate saw revenue increased by 157% to US\$47.4 million in H1 FY2009 from US\$18.4 million in H1 FY2008 due to a healthy demand for foundation services. Share of profit after tax from the associate totalled US\$2.9 million from US\$973,000.

Balance Sheets

Non-current assets

The Group's non-current assets rose by US\$155.6 million from US\$659.5 million as at 31 March 2008 to US\$815.1 million as at 30 September 2008.

This was mainly due to the acquisition of the Finder and equipment totaling US\$102 million, Explorer's additional CAPEX of US\$47 million, and an adjustment of Explorer's fair value by US\$16.9 million adopted for provisional Purchase Price Allocation. Delays in the completion of Explorer to next year have increased its upgrading costs.

Intangible assets as at 31 March 2008 had been restated to include an adjustment of fair value as a result of adopting a higher rate of 20% (instead of 18%) contributory assets charge pertaining to plant and equipment. Amortisation charges had also been restated from December 2007.

As per FRS 103, any adjustments to the provisional values of the assets and liabilities of NMOG will be completed in this FY.

Current assets

Current assets as at 30 September 2008 decreased by US\$7.9 million from 31 March 2008. This was due primarily to an increase in cash arising from the Rights Issue undertaken by the Company which was then used to repay Group borrowings. Trade receivables also increased by US\$18 million as a result of NMOG commencing operations in Venezuela.

Non-Current Liabilities

The Group's non-current liabilities decreased by US\$107.7 million from US\$199.7 million as at 31 March 2008 to US\$92 million as at 30 September 2008. This was due to the use of the Rights Issue proceeds to reduce bank borrowings and the repayment of a US\$115 million interest free bridge loan from Morton Bay. The long term portion of a US\$120 million tranche facility was reclassified as long term borrowings from current liabilities.

Current Liabilities

The Group's current liabilities decreased by US\$32.7 million from US\$278.6 million as at 31 March 2008 to US\$245.9 million as at 30 September 2008. This was mainly due to reclassification of US\$82 million to non-current liabilities. This decrease was however compensated by the additional US\$35 million in borrowings from banks to fund equipment purchases. Trade and other payables increased by US\$3.6 million in line with the increased level of business activities.

Q2 FY2009 versus Q2 FY2008

The Group's revenue for Q2 FY2009 increased from US\$2.5 million in Q2 FY2008 to US\$49.7 million in Q2 FY2009. This increase was mainly due to contributions from NMOG. Group's revenue arising from the income received from the Discoverer.

Offshore drilling revenue increased by US\$42.7 million after the acquisition of NMOG from nil in Q2 FY2008. Revenue from Building Services increased by US\$4.5million from US\$2.5 million in Q2 FY2008 to US\$7 million Q2 FY2009 due to strong demand in the construction sector in Singapore.

Administrative and distribution expenses grew in line with the level of business done. Profit after tax and minority interests of the Group increased by 381 % from US\$0.935 million in Q2 FY2008 to US\$4.5 million in Q2 FY2009.

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

The Group's second quarter results are consistent with the commentary issued in the announcement of its results for the previous quarter.

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 financial markets have recently undergone traumatic changes. This will affect the world's economy, where Western countries are already experiencing deteriorating economic conditions. The Group will therefore be adopting a more cautious stance in the months ahead.

The Explorer is currently undergoing upgrading works and is expected to commence operations in the next financial year.

The construction industry may be affected by the slowdown in the domestic economy. Our building services segment expects to benefit from the order book it has for the current year.

11. Dividend

Current Financial Period Reported On

None.

Corresponding Period of the Immediately Preceding Financial Year

None.

Date payable

Not applicable.

Books closure date

Not applicable.

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

No interim dividend has been recommended.

13. Negative assurance statement

The Board of Directors confirms that, to the best of their knowledge, nothing has come to their attention which may render the first half financial results as at 30 September 2008 to be false or misleading, in any material respect.

BY ORDER OF THE BOARD

Foo Soon Soo/Lee Mee Kium
Joint Company Secretaries
13 November 2008