

Balance Sheets

as at 31 December 2004

(Currency – Singapore dollars)

	Note	Group		Company	
		2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Share capital and reserves					
Share capital	3	289,217	288,603	289,217	288,603
Share premium	4	76,602	67,557	76,602	67,557
Capital reserve	5	115,948	115,948	–	–
Foreign currency translation reserve		(7,594)	726	–	–
Statutory reserve	6	333	205	–	–
Unappropriated profit	7	883,903	851,488	359,426	327,921
		1,358,409	1,324,527	725,245	684,081
Minority interests		37,936	39,630	–	–
		1,396,345	1,364,157	725,245	684,081
Fixed assets					
Fixed assets	8	415,490	419,247	452	136
Subsidiaries	9	–	–	326,091	326,091
Associated companies and joint ventures	10	267,992	196,720	50	–
Long-term investments	11	48,433	36,081	–	–
Intangible assets	12	56,204	58,165	–	–
Long-term receivables	13	19,394	815	–	–
Deferred tax assets	14	84,772	85,069	–	–
Current assets					
Stocks and work-in-progress	15	679,008	640,483	–	–
Debtors, deposits and prepayments	16	1,660,064	1,603,464	255,540	155,475
Long-term receivables, current	13	735	889	183	3
Other assets	17	17,202	20,325	–	–
Amounts under fund management	18	250,000	214,661	–	8,535
Bank balances and other liquid funds	19	558,249	846,361	182,717	240,939
		3,165,258	3,326,183	438,440	404,952
Current liabilities					
Advance payments from customers, current		404,610	468,951	–	–
Creditors and accruals	24	1,159,603	1,182,201	32,622	41,696
Provisions	25	168,329	173,186	–	–
Progress billings in excess of work-in-progress	15	151,864	119,441	–	–
Provision for taxation		200,248	195,881	7,005	5,318
Short-term bank loans (unsecured)	26	128,798	132,303	–	–
Lease obligations, current	27	1,760	1,653	–	–
Long-term bank loans, current	31	864	1,968	–	–
Bank overdrafts		356	421	–	–
		2,216,432	2,276,005	39,627	47,014
Net current assets		948,826	1,050,178	398,813	357,938
Non-current liabilities					
Advance payments from customers, non-current		411,456	447,466	–	–
Deferred income	29	2,055	2,346	–	–
Deferred tax liabilities	30	4,654	4,566	161	84
Provision for staff retirement benefits		284	324	–	–
Lease obligations, non-current	27	13,000	15,028	–	–
Long-term bank loans, non-current	31	13,317	12,388	–	–
		1,396,345	1,364,157	725,245	684,081

The accompanying notes are an integral part of the financial statements.

Statement of Profit and Loss

for the year ended 31 December 2004

(Currency – Singapore dollars)

	Note	2004 \$'000	Group 2003 \$'000
Turnover	32	2,948,127	2,818,989
Cost of sales		(2,294,152)	(2,143,804)
Gross profit		653,975	675,185
Other operating income	33	46,447	37,940
Distribution and selling expenses		(60,310)	(73,265)
Administrative expenses		(203,010)	(217,550)
Other operating expenses		(49,638)	(65,998)
Profit from operations	34	387,464	356,312
Other income, net	36	8,765	13,282
Financial expenses	37	(4,182)	(2,216)
		392,047	367,378
Share of results of associated companies and joint ventures		58,386	47,324
Amortisation of goodwill on acquisition of associated companies		–	(2,005)
Profit before taxation		450,433	412,697
Taxation	38	(87,056)	(86,759)
Profit after taxation		363,377	325,938
Minority interests		(4,992)	(355)
Net profit attributable to shareholders		358,385	325,583
Earnings per share (cents)	40		
Basic		12.40	11.29
Diluted		12.36	11.27

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Equity

for the year ended 31 December 2004

(Currency – Singapore dollars)

	Share capital \$'000	Share premium \$'000	Capital reserve \$'000	Foreign currency translation reserve \$'000	Statutory reserve \$'000	Unappropriated profit \$'000	Total \$'000
The Group							
As at 1.1.2003	288,395	65,071	115,948	6,641	108	975,908	1,452,071
Foreign currency translation differences	–	–	–	(5,915)	–	–	(5,915)
Issue of shares	208	2,486	–	–	–	–	2,694
Net profit for the year	–	–	–	–	–	325,583	325,583
Dividends (Note 39)	–	–	–	–	–	(449,906)	(449,906)
Transfer from unappropriated profit to statutory reserve	–	–	–	–	97	(97)	–
As at 31.12.2003	288,603	67,557	115,948	726	205	851,488	1,324,527
As at 1.1.2004							
– as previously stated	288,603	67,557	115,948	726	205	851,488	1,324,527
– change in accounting policy (Note 2b)	–	–	–	–	–	650	650
– as restated	288,603	67,557	115,948	726	205	852,138	1,325,177
Foreign currency translation differences	–	–	–	(8,320)	–	–	(8,320)
Issue of shares	614	9,045	–	–	–	–	9,659
Net profit for the year	–	–	–	–	–	358,385	358,385
Dividends (Note 39)	–	–	–	–	–	(326,492)	(326,492)
Transfer from unappropriated profit to statutory reserve	–	–	–	–	128	(128)	–
As at 31.12.2004	289,217	76,602	115,948	(7,594)	333	883,903	1,358,409

	Share capital \$'000	Share premium \$'000	Unappropriated profit \$'000	Total \$'000
The Company				
As at 1.1.2003	288,395	65,071	450,472	803,938
Issue of shares	208	2,486	–	2,694
Net profit for the year	–	–	327,355	327,355
Dividends (Note 39)	–	–	(449,906)	(449,906)
As at 31.12.2003	288,603	67,557	327,921	684,081
As at 1.1.2004				
Issue of shares	614	9,045	–	9,659
Net profit for the year	–	–	357,997	357,997
Dividends (Note 39)	–	–	(326,492)	(326,492)
As at 31.12.2004	289,217	76,602	359,426	725,245

The accompanying notes are an integral part of the financial statements.

Consolidated Statement of Cash Flows

for the year ended 31 December 2004

(Currency – Singapore dollars)

	2004 \$'000	2003 \$'000
Cash flows from operating activities		
Profit before taxation including share of results of associated companies and joint ventures	450,433	412,697
Adjustments:		
Share of results of associated companies and joint ventures	(58,386)	(47,324)
Depreciation of fixed assets	77,691	86,445
Provision for impairment in value of short-term investment	–	289
(Write-back of provision)/provision for impairment in value of long-term investments	(1,965)	8,069
Fixed assets written off	441	2,451
Impairment of fixed assets	796	1,112
Profit on disposal of fixed assets	(265)	(3,711)
Profit on disposal of investments	(1,151)	(2,385)
Profit on disposal of joint ventures	–	(30)
Loss on dilution of interest in subsidiaries	285	–
Profit on maturity of amounts under fund management	(13,094)	(7,080)
Provision for impairment of investment in associated companies	2,325	674
Write-back of provision for impairment of amounts under fund management	(570)	(10,036)
Provision for loan to an investee company	822	–
Interest expense	4,182	2,216
Interest income	(19,326)	(18,478)
Dividends from investments	(2,372)	(2,571)
Impairment of goodwill	158	–
Amortisation of goodwill, net	–	4,538
Amortisation of commercial and intellectual property rights	802	614
Operating profit before working capital changes	440,806	427,490
(Increase)/decrease in working capital:		
Stocks and work-in-progress	(38,089)	15,989
Progress billings in excess of work-in-progress	32,423	(60,712)
Assets held for disposal	3,154	7,841
Trade debtors	(74,234)	2,352
Advance payments to suppliers	7,884	9,071
Other debtors, deposits and prepayments	(5,544)	12,041
Holding company and related corporations balances	3,532	(888)
Associated companies	(243)	7,364
Joint ventures	(10,835)	(11,959)
Trade creditors	28,724	47,009
Advance payments from customers	(100,351)	(172,670)
Other creditors, accruals and provisions	(54,990)	(17,108)
Loans to staff and third parties, net of repayments	547	326
Cash generated from operations	232,784	266,146
Interest received	18,521	19,795
Income tax paid	(71,532)	(68,482)
Deferred income	(263)	(144)
Exchange difference on operating activities	(5,084)	(6,561)
Net cash from operating activities	174,426	210,754

Consolidated Statement of Cash Flows

for the year ended 31 December 2004

(Currency – Singapore dollars)

	2004 \$'000	2003 \$'000
Cash flows from investing activities		
Proceeds from sale of fixed assets	3,623	14,782
Proceeds from sale of associated companies and joint ventures	–	30
Dividends from associated companies	31,956	53,339
Dividends from investments	2,372	2,544
Proceeds from sale and maturity of investments	35,717	71,821
Purchase of fixed assets	(83,907)	(61,950)
Purchase of investments	(69,969)	(18,975)
Proceeds from capital redemption of long-term investments	2,211	11,654
Loan to an investee company	(6,540)	(886)
Additional investment/acquisition of associated companies and joint ventures	(50,250)	(7,555)
Acquisition of subsidiaries	–	(62,289)
Acquisition of additional interest in subsidiaries	(8,361)	–
Acquisition of non-current investments	(8)	(3,651)
Dilution of interest in subsidiaries	(116)	–
Loans to associated companies and joint ventures	(241)	–
Exchange difference on investing activities	8,751	4,452
Net cash (used in)/from investing activities	(134,762)	3,316
Cash flows from financing activities		
Capital contribution from minority shareholders of a subsidiary	5,201	1,213
Proceeds from issue of shares	9,659	2,689
Loan from minority shareholders	230	915
Repayment of lease obligations	(2,093)	(1,661)
Proceeds from short-term bank loans, net of repayment	3,062	54,221
Dividend paid to shareholders of the Company	(326,492)	(449,906)
Dividend paid to minority shareholders of subsidiaries	(2,733)	(2,897)
Interest paid	(3,675)	(2,149)
Exchange difference on financing activities	(5,135)	(1,495)
Net cash used in financing activities	(321,976)	(399,070)
Net decrease in cash and cash equivalents	(282,312)	(185,000)
Cash and cash equivalents at beginning of year	1,801,892	1,987,321
Exchange difference on cash and cash equivalents at beginning of year	(3,919)	(429)
Cash and cash equivalents at end of year (Note 42)	1,515,661	1,801,892

Consolidated Statement of Cash Flows

for the year ended 31 December 2004

(Currency – Singapore dollars)

Summary of Effect on Dilution of Interest in Subsidiaries:

The effect of dilution of interest in subsidiaries for the financial year ended 31 December 2004 is as follows:

	\$'000
Goodwill	310
Fixed assets	183
Current assets	2,694
Current liabilities	(1,486)
Non-current liabilities	(35)
Net assets disposed	1,666
Minority interests	(1,162)
Loss on dilution of interest in subsidiaries	285
	789
Reclassified to associated company	(673)
Net cash outflow on dilution of interest in subsidiaries	116

The accompanying notes are an integral part of the financial statements.