



**Half-Year Financial Statement For the Period Ended 30 June 2007**

**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.

	Notes	6 months to 30.06.2007 S\$'000	6 months to 30.06.2006 S\$'000	Increase / (Decrease) %
Revenue	1	106,588	43,057	148
Cost of sales		<u>(101,071)</u>	<u>(38,726)</u>	161
Gross profit		5,517	4,331	27
Other revenue	2	824	1,808	(54)
Administrative costs	3	(1,922)	(2,029)	(5)
Other operating costs	3	(2,999)	(2,937)	2
Finance costs	4	(131)	(139)	(6)
Share of results of associates		<u>50</u>	<u>40</u>	25
Profit before taxation		1,339	1,074	25
Taxation	5	<u>(215)</u>	<u>(195)</u>	10
Profit after taxation		<u>1,124</u>	<u>879</u>	28
Attributable to:				
Equity holders of the Company		1,065	865	23
Minority interests		<u>59</u>	<u>14</u>	321
		<u>1,124</u>	<u>879</u>	28
		6 months to 30.06.2007 S\$'000	6 months to 30.06.2006 S\$'000	Increase / (Decrease) %
<b>Notes</b>				
<b>1 Revenue</b>				
Revenue from construction contracts		106,457	43,030	147
Sale of goods		<u>131</u>	<u>27</u>	385
		<u>106,588</u>	<u>43,057</u>	148
<b>2 Other revenue</b>				
Gain on disposal of investment securities		38	14	171
Interest income from fixed deposits		229	117	96
Interest income from investment securities		-	183	NM
Management fee		16	13	23
Rental of equipment		25	820	(97)
Rental income		121	254	(52)
Other income		<u>395</u>	<u>407</u>	(3)
		<u>824</u>	<u>1,808</u>	(54)

	6 months to 30.06.2007 S\$'000	6 months to 30.06.2006 S\$'000	Increase / (Decrease) %
<b>3 Administrative and other operating costs</b>			
The following items have been included in arriving at administrative and other operating costs:			
Depreciation of property, plant and equipment	1,163	1,097	6
Foreign exchange currency adjustment loss	1	276	(100)
Impairment loss on trade receivables:			
- external parties	101	147	(31)
Loss on disposal of property, plant and equipment	1	96	(99)
<b>4 Finance costs</b>			
Interest expense:			
Loans and borrowings (including bank overdrafts)	12	6	100
Finance charges payable under finance leases	34	45	(24)
Others	85	88	(3)
	<u>131</u>	<u>139</u>	(6)
<b>5 Taxation</b>			
Current 6 months taxation			
- Singapore	10	186	(95)
- Foreign	124	6	1,967
Deferred taxation	65	-	NM
Under provision in respect of prior year	16	3	433
	<u>215</u>	<u>195</u>	10

NM - Not Meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30.06.2007 S\$'000	31.12.2006 S\$'000	30.06.2007 S\$'000	31.12.2006 S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	12,091	8,410	13	22
Intangible assets	119	119	-	-
Investment securities	3,042	3,042	-	-
Investments in subsidiaries	-	-	21,657	21,595
Investment in an associates	151	101	92	92
Deferred tax assets	135	200	-	-
Amount due from a subsidiary	-	-	359	359
	<u>15,538</u>	<u>11,872</u>	<u>22,121</u>	<u>22,068</u>
<b>Current assets</b>				
Investment securities	493	90	13	13
Development properties	6,283	18,484	-	-
Work-in-progress	8,014	8,614	-	-
Inventories	2,456	2,125	-	-
Trade receivables	36,371	30,585	75	1
Other receivables	15,263	3,682	106	163
Amounts due from subsidiaries	-	-	246	4,363
Cash and fixed deposits	33,949	15,814	24,703	91
	<u>102,829</u>	<u>79,394</u>	<u>25,143</u>	<u>4,631</u>
<b>Current liabilities</b>				
Trade payables and accruals	51,600	41,074	993	932
Excess of progress billings over work-in-progress	14,095	8,227	-	-
Other payables	3,467	9,123	102	174
Amounts due to subsidiaries	-	-	14,129	18,219
Finance leases	1,262	245	13	13
Bank borrowings	3,731	2,863	-	-
Provision for taxation	426	571	-	82
	<u>74,581</u>	<u>62,103</u>	<u>15,237</u>	<u>19,420</u>
<b>Net current assets / (liabilities)</b>	28,248	17,291	9,906	(14,789)
<b>Non-current liabilities</b>				
Finance leases	(1,269)	(212)	(18)	(25)
Long term borrowings	-	(12,180)	-	-
Deferred taxation	(1,075)	(1,075)	-	-
<b>Net assets</b>	<u>41,442</u>	<u>15,696</u>	<u>32,009</u>	<u>7,254</u>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	43,966	19,086	43,966	19,086
Foreign currency translation reserve	(505)	(303)	-	-
Accumulated losses	(2,547)	(3,612)	(11,957)	(11,832)
	<u>40,914</u>	<u>15,171</u>	<u>32,009</u>	<u>7,254</u>
Minority interests	528	525	-	-
<b>Total equity</b>	<u>41,442</u>	<u>15,696</u>	<u>32,009</u>	<u>7,254</u>

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

Amount repayable in one year or less, or on demand

As at 30.06.2007		As at 31.12.2006	
Secured	Unsecured	Secured	Unsecured
\$4,993,000	-	\$2,926,000	-

Amount repayable after one year

As at 30.06.2007		As at 31.12.2006	
Secured	Unsecured	Secured	Unsecured
\$1,269,000	-	\$12,394,000	-

Details of any collateral

The secured borrowings repayable within one year and after one year mainly comprising of bank overdrafts ,banker's acceptance and hire purchase are secured by a charge over the fixed deposits from a subsidiary and corporate guarantee from the Company.

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

	30.06.2007 \$'000	30.06.2006 \$'000
<b>Cash flows from operating activities:</b>		
Profit before taxation and share of results of associates	1,289	1,034
Adjustments for:		
Depreciation of property, plant and equipment	1,163	1,097
Interest income	(229)	(300)
Interest expense	131	139
Loss on disposal of property, plant and equipment	1	96
<b>Operating profit before working capital changes</b>	<u>2,355</u>	<u>2,066</u>
(Increase)/decrease in trade receivables	(5,786)	6,280
Increase in other receivables and prepayments	(11,581)	(247)
(Increase)/decrease in inventories	(331)	253
Decrease/(increase) in development properties	21	(1,762)
Increase/(decrease) in trade payables	10,526	(10,236)
Decrease in other payables	(5,656)	(176)
Increase in excess of progress billings over Work-in-Progress	6,468	596
<b>Cash used in operations</b>	<u>(3,984)</u>	<u>(3,226)</u>
Interest paid	(131)	(139)
Interest received	229	117
Income tax paid	(295)	(274)
<b>Net cash used in operating activities</b>	<u>(4,181)</u>	<u>(3,522)</u>
<b>Cash flows from investing activities:</b>		
Disposal of property, plant and equipment	259	311
Purchase of property, plant and equipment	(1,738)	(402)
(Increase)/decrease in investment securities	(403)	3,938
Purchase of minority interests' shares	(62)	-
Interest received	-	183
<b>Net cash (used in)/from investing activities</b>	<u>(1,944)</u>	<u>4,030</u>
<b>Cash flows from financing activities:</b>		
Net proceeds from issue of ordinary shares	24,880	-
Proceeds from bank borrowings, secured	868	1,056
Repayment of finance leases	(1,044)	(751)
Placement of pledged deposits	(13)	-
<b>Net cash from financing activities</b>	<u>24,691</u>	<u>305</u>
Net effect of exchange rate changes in consolidating subsidiaries	(444)	119
Net increase in cash and cash equivalents	18,122	932
Cash and cash equivalents at beginning of the period	14,071	12,320
<b>Cash and cash equivalents at end of the period (Note)</b>	<u>32,193</u>	<u>13,252</u>
<b>Note : Cash and cash equivalents at end of the period</b>		
Cash and fixed deposits balances	33,949	14,971
Less:- Pledged fixed deposits	(1,756)	(1,719)
Cash and cash equivalents at end of the period	<u>32,193</u>	<u>13,252</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity for the period ended 30 June

Group	Attributable to equity holders of the Company						Total equity S\$'000
	Share capital S\$'000	Share premium S\$'000	Foreign currency translation reserve S\$'000	Fair value adjustment reserve S\$'000	Accumulated losses S\$'000	Minority interests S\$'000	
<b>At 1 January 2006</b>	13,610	5,476	(320)	71	(5,931)	406	13,312
Recognised in profit and loss account							
- on disposal of investment securities	-	-	-	(46)	-	-	(46)
Net effect of exchange differences	-	-	110	-	-	-	110
Net income and expenses recognised directly in equity	-	-	110	(46)	-	-	64
Profit for the period	-	-	-	-	865	14	879
Total recognised income and expenses for the period	-	-	110	(46)	865	14	943
Transfer of share premium reserve to share capital	5,476	(5,476)	-	-	-	-	-
<b>At 30 June 2006</b>	<b>19,086</b>	<b>-</b>	<b>(210)</b>	<b>25</b>	<b>(5,066)</b>	<b>420</b>	<b>14,255</b>
<b>At 1 January 2007</b>	19,086	-	(303)	-	(3,612)	525	15,696
Net effect of exchange differences	-	-	(202)	-	-	6	(196)
Net income and expenses recognised directly in equity	-	-	(202)	-	-	6	(196)
Profit for the period	-	-	-	-	1,065	59	1,124
Total recognised income and expenses for the period	-	-	(202)	-	1,065	65	928
Issuance of ordinary shares	24,880	-	-	-	-	-	24,880
Purchase of minority interests' shares	-	-	-	-	-	(62)	(62)
<b>At 30 June 2007</b>	<b>43,966</b>	<b>-</b>	<b>(505)</b>	<b>-</b>	<b>(2,547)</b>	<b>528</b>	<b>41,442</b>

Company	Attributable to equity holders of the Company			
	Share Capital S\$'000	Share premium S\$'000	Accumulated losses S\$'000	Total equity S\$'000
<b>At 1 January 2006</b>	13,610	5,476	(11,961)	7,125
Profit for the period	-	-	(85)	(85)
Total recognised income and expenses for the period	-	-	(85)	(85)
Transfer of share premium reserve to share capital	5,476	(5,476)	-	-
<b>At 30 June 2006</b>	<b>19,086</b>	<b>-</b>	<b>(12,046)</b>	<b>7,040</b>
<b>At 1 January 2007</b>	19,086	-	(11,832)	7,254
Profit for the period	-	-	(125)	(125)
Total recognised income and expenses for the period	-	-	(125)	(125)
Issuance of ordinary shares	24,880	-	-	24,880
<b>At 30 June 2007</b>	<b>43,966</b>	<b>-</b>	<b>(11,957)</b>	<b>32,009</b>

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.

As at 31 December 2006, the issued share capital of the Company was S\$19,086,919 comprising 1,361,052,278 ordinary shares.

On 18 April 2007, the Company made an announcement relating to the placement of new shares. The placement was completed on 27 April 2007 and pursuant to which an aggregate of 180,000,000 placement shares were allotted and issued at a price of S\$0.146 per placement share.

Upon the completion of the placement, the issued share capital of the Company increased from S\$19,086,919 comprising 1,361,052,278 ordinary shares to S\$43,967,199 comprising 1,541,052,278 ordinary 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 nor reviewed by the auditors.

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

Not Applicable.

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

the Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2006 and certain comparative figures have been reclassified to conform with the current financial period presentation.

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.

During the financial period, the Group has adopted the new Singapore Financial Reporting Standards (FRS) which have become effective. The effect of the adoption of these new and revised FRS did not result in substantial changes to the Group's accounting policies and do not have a material financial impact on the Group's results.

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.

	30.06.2007 Cents	30.06.2006 Cents
Earnings per ordinary share of the Group after deducting any provision for preference dividends:-		
(a) Based on the weighted average number of ordinary shares on issue	0.08	0.06
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	0.08	0.06

The computation of earning per ordinary share on the weighted average number of shares and fully diluted basis is based on 1,390,641,319 shares (30 June 2006 : 1,361,052,278 shares).

- 7 Net asset 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.

	Group		Company	
	30.06.2007 Cents	31.12.2006 Cents	30.06.2007 Cents	31.12.2006 Cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	2.65	1.11	0.21	0.53

The computation of net asset value per ordinary share is based on 1,541,052,278 (31 December 2006: 1,361,052,278) ordinary shares issued as at the end of the financial period.

- 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 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.

The Group registered strong revenue growth in the first half of 2007. Revenue for the Group increased by 148% from S\$43.1 million in the first half of 2006 to S\$106.6 million in the first half of 2007. The increase in revenue was mainly due to recognition of revenue from projects of higher value in the first half of 2007.

Cost of sales increased by 161% mainly due to increase in volume of work done which resulted in our revenue increase of 148%, as well as cost escalation in construction materials. Costs of sand and cement escalated drastically following the sand export ban imposed by Indonesia on 6 February 2007 and disruptions to the supply of granite in late February 2007. Such cost escalation was mitigated to some extent in public sector projects where a large proportion of the increase was absorbed by public sector entities. In addition, the prices of steel reinforcement and concrete also rose significantly due to an increase in the demand for construction services. Generally input costs for the construction sector also increased significantly in line with rising labour and equipment costs due to tight supply situation.

Gross profit increased by S\$1.2 million or 27%. Our overall gross profit margin declined due to increase in costs as a result of the factor described above.

Other revenue decreased by S\$1.0 million mainly due to a decrease in rental received from the leasing of equipment (S\$0.8 million) as well as a decrease in interest income received from investment securities (S\$0.2 million).

Administrative costs, other operating expenses and finance costs were at approximately the same level as the corresponding period in prior year.

Profit before tax increased only by S\$0.2 million or 25% from S\$1.1 million in the first half of 2006 to S\$1.3 million in the first half of 2007 despite significant increase in revenue due to lower gross profit margins as a result of cost escalation and also due to decrease in other revenue.

The Group maintained a healthy liquidity position. As at end of June 2007, the Group had a cash and cash equivalents position of approximately S\$32.2 million as compared to approximately S\$13.3 million in the previous corresponding period. This is attributable to the proceeds from the placement of 180,000,000 shares on 18 April 2007 as explained in Section 1(d)(ii) above.

Long term liabilities have been reduced by S\$12,180,000 due to the transfer of the property at 21 St. Martin's Drive to a joint venture company known as Tennessee Pte. Ltd. in which the Group has a 48% interest. The remaining 52% interest is held by Shing Kwan (Pte.) Ltd. Further details of this development are contained in an announcement released on 11 February 2007.

**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 prospect statement which had been disclosed to shareholders in the corresponding financial period.

**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.**

According to a report dated 10 July 2007 released by the Ministry of Trade and Industry, the construction sector expanded by 17.9% in the second quarter of 2007 which surpassed the 11.6% growth reported in the previous quarter. In a report released by the Building and Construction Authority ("BCA") dated 3 August 2007, the BCA increased its forecast for construction demand for 2007 from between S\$17 billion and S\$19 billion, to between S\$19 billion and S\$22 billion. Construction demand for 2006 was S\$16.1 billion. Supported by strong growth in the property and construction sectors, the overall outlook for the industry is expected to remain positive for the next financial year.

The Company, through its property arm, SP Holland Hill Private Limited has entered into a sale and purchase agreement for the acquisition of a 4,899.8 sq metre freehold site located at 19 & 21 Holland Hill for a consideration of S\$70.6 million. The prime freehold is being developed into a 12-storey condominium comprising 56 units and is expected to be launched by early 2008. Approval for the collective sale from The Strata Titles Board was obtained on 1 August 2007. A further sum of S\$3,530,000.00 was disbursed to the subsidiary owners of the development on 7 August 2007 under the terms of the sale and purchase agreement.

The Group intends to be more active in tendering for projects in both the private and public sectors. However in view of rising input costs in the construction sector, the Group will take a prudent approach in tendering for new projects.

As at end of June 2007, the Group's order book stood at S\$279 million. The Group has existing projects in Malaysia, Sri Lanka, Thailand, Philippines and Maldives and will continue expanding into overseas markets.

**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) Books closure date**

Not Applicable

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

No dividend has been declared / recommended in the current financial period reported on.

**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.

Not Applicable

- 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.

Not Applicable

- 15 A breakdown of sales.

Not Applicable


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

	Latest Full Year	Previous Full Year
Ordinary	-	-
Preference	-	-
Total	-	-

**CONFIRMATION BY THE BOARD**

We, Tan Kheng Hwee Andrew and Carrie Luk Ka Lai, being two of the directors of BBR Holdings (S) Ltd, do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the half year 2007 financial results to be false or misleading.

On behalf of the board of directors

  
Tan Kheng Hwee Andrew  
Group Chief Executive Officer

  
Carrie Luk Ka Lai  
Non-Executive Director

Singapore  
8 August 2007