BBR HOLDINGS (S) LTD (Registration No.: 199304349M)

Full Year Financial Statement for the Period Ended 31 December 2006

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	Year ended 31.12.2006 S$'000	Year ended 31.12.2005 S$'000	Increase/ (Decease) %
Revenue	1	101,068	123,240	(18)
Cost of sales		(90,432)	(114,965)	(21)
Gross profit		10,636	8,275	29
Other revenue	2	1,756	2,980	(41)
Administrative costs	4	(4,326)	(3,845)	13
Other operating costs	4	(5,135)	(4,264)	20
Finance costs	3	(296)	(549)	(46)
Share of results of associates		45	41	10
Profit before taxation		2,680	2,638	2
Taxation	5	(127)	(609)	(79)
Profit for the year		2,553	2,029	26
Attributable to :				
Equity holders of the company		2,437	2,222	10
Minority interests		116	(193)	n.m.
		2,553	2,029	26

Notes		Year ended 31.12.2006 S$'000	Year ended 31.12.2005 S$'000	Increase/ (Decease) %
1	**Revenue**			
	Revenue from construction contracts	100,721	122,548	(18)
	Sale of goods	347	692	(50)
		101,068	123,240	(18)
2	**Other revenue**			
	Dividend income	37	45	(18)
	Gain on disposal of investment securities	-	242	(100)
	Gain on disposal of property, plant and equipment	107	1,324	(92)
	Interest income from fixed deposits	296	151	96
	Interest income from investment securities	235	271	(13)
	Management fee	25	172	(85)
	Rental of equipment	104	66	58
	Rental income	500	511	(2)
	Other income	452	198	128
		1,756	2,980	(41)
3	**Finance costs**			
	Interest expense :			
	Loans and borrowings (including bank overdrafts)	164	289	(43)
	Promissory note	-	80	(100)
	Finance charges payable under finance leases	67	123	(46)
	Others	65	57	14
		296	549	(46)
4	**Administrative and other operating costs**			
	The following items have been included in arriving at administrative and other operating costs :			
	Bad debts written off	20	57	(65)
	Depreciation of property, plant and equipment	2,198	2,417	(9)
	Foreign exchange currency loss	735	266	176
	Impairment loss in value of intangible assets	-	60	(100)
	Fair value change in held-for-trading quoted investment securities	-	(21)	(100)
	Loss on disposal of investment securities	3	-	n.m.
	(Write-back)/allowance for doubtful receivables			
	- external parties	(129)	(16)	706
	- former subsidiaries	-	(548)	(100)
	- related parties	-	(18)	(100)
	- associates	(151)	-	n.m.

5 **Taxation**

Profit and loss account :			
Current taxation			
- Singapore	356	383	(7)
- Foreign	55	214	(74)
Deferred taxation	(200)	48	n.m.
(Over)/under provision in respect of prior year	(85)	(38)	124
Taxation on dividends received	1	2	(50)
Taxation recognised in the profit and loss account	127	609	(79)
Statements of changes in equity :			
Deferred income tax related to items charged or credited directly to equity			
- Net change in fair value adjustment reserve for available-for-sale financial assets	(18)	18	n.m.
Taxation reported in equity	(18)	18	n.m.

n. m. = 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	
	31.12.2006 S$'000	31.12.2005 S$'000	31.12.2006 S$'000	31.12.2005 S$'000
Non-current assets				
Property, plant and equipment	8,410	9,941	22	49
Intangible assets	119	119	-	-
Investment securities	3,042	2,992	-	-
Investments in subsidiaries	-	-	21,595	21,595
Investments in associates	101	66	92	92
Deferred tax assets	200	-	-	-
Amount due from a subsidiary	-	-	-	368
Current assets				
Investment securities	90	7,405	13	13
Gross amount due from customers for contract work	8,605	6,286	-	-
Development properties	18,484	-	-	-
Inventories	1,930	2,308	-	-
Trade receivables	29,527	25,665	1	3
Other receivables	6,937	2,561	166	145
Amounts due from subsidiaries	-	-	4,722	4,173
Cash and fixed deposits	15,778	14,039	91	41
	81,351	58,264	4,993	4,375
Current liabilities				
Trade payables and accruals	39,948	44,444	932	933
Gross amount due to customers for contract work	8,219	3,739	-	-
Other payables	12,396	4,235	170	164
Amounts due to subsidiaries	-	-	18,222	18,123
Finance leases	244	841	13	13
Bank borrowings	2,682	2,593	-	-
Provision for taxation	508	794	82	82
	63,997	56,646	19,419	19,315
Net current assets/(liabilities)	17,354	1,618	(14,426)	(14,940)
Non-current liabilities				
Finance leases	(214)	(388)	(25)	(39)
Long term borrowings	(12,180)	-	-	-
Deferred taxation	(1,018)	(1,036)	-	-
Net assets	15,814	13,312	7,258	7,125
Equity attributable to equity holders of the company				
Share capital	19,086	13,610	19,086	13,610
Share premium	-	5,476	-	5,476
Foreign currency translation reserve	(303)	(320)	-	-
Fair value adjustment reserve	-	71	-	-
Accumulated losses	(3,494)	(5,931)	(11,828)	(11,961)
	15,289	12,906	7,258	7,125
Minority interests	525	406	-	-
Total equity	15,814	13,312	7,258	7,125

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

Amount repayable in one year or less, or on demand

As at 31.12.2006		As at 31.12.2005	
Secured	Unsecured	Secured	Unsecured
$2,926,000	-	$3,434,000	-

Amount repayable after one year

As at 31.12.2006		As at 31.12.2005	
Secured	Unsecured	Secured	Unsecured
$12,394,000	-	$388,000	-

Details of any collateral

The secured borrowings repayable within one year and after one year mainly comprising of bank overdrafts and banker's acceptance are secured by a charge over the fixed deposits from a subsidiary and corporate guarantee from the Company and over the property at 21 St. Martin Drive

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

	31.12.2006 $'000	31.12.2005 $'000
Cash flows from operating activities :		
Profit before taxation and share of results of associates	2,635	2,597
Adjustments for :		
Depreciation of property, plant and equipment	2,198	2,417
Impairment loss in value of intangible assets	-	60
Interest income	(531)	(422)
Interest expense	296	549
Gain on disposal of property, plant and equipment	(107)	(1,324)
Fair value change in held-for-trading quoted investment securities	-	(21)
Operating profit before working capital changes	4,491	3,856
Increase in gross amount due from customers for contract work	(2,319)	(1,199)
Increase in development properties	(6,304)	-
(Increase)/decrease in trade receivables	(3,862)	4,987
Increase in other receivables	(4,375)	(155)
Decrease in inventories	378	470
Decrease in trade payables and accruals	(4,496)	(9,631)
Increase in gross amount due to customers for contract work	4,480	1,607
Increase in other payables	8,160	2,475
Cash (used in)/ generated from operations	(3,847)	2,410
Interest paid	(296)	(549)
Interest received	296	151
Income tax paid	(620)	(675)
Net cash (used in)/from operating activities	(4,467)	1,337
Cash flows from investing activities :		
Disposal of property, plant and equipment	589	6,904
Purchase of property, plant and equipment	(1,157)	(429)
Decrease in investment securities	7,195	1,480
Interest received	235	271
Net cash from investing activities	6,862	8,226
Cash flows from financing activities :		
Proceeds from/(repayment of) bank borrowings, secured	89	(5,391)
Repayment of long term borrowings	-	(2,674)
(Repayment of)/proceeds from finance leases	(772)	101
Placement of pledged deposits	(24)	(1,066)
Net cash used in financing activities	(707)	(9,030)
Net effect of exchange rate changes in consolidating subsidiaries	27	12
Net increase in cash and cash equivalents	1,715	545
Cash and cash equivalents at beginning of the year	12,320	11,775
Cash and cash equivalents at end of the year (Note 6)	14,035	12,320

Note 6 : Cash and cash equivalents at end of the year

Cash and bank balances	4,006	4,969
Fixed deposits	11,772	9,070
	15,778	14,039
Less :		
- Pledged fixed deposits	(1,743)	(1,719)
	14,035	12,320

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.

Group

	Attributable to equity holders of the Company						
	Share Capital $'000	**Share Premium $'000**	**Foreign Currency Translation Reserve $'000**	**Fair Value Adjustment Reserve $'000**	**Accumulated Losses $'000**	**Minority Interests $'000**	**Total Equity $'000**
At 1 January 2006	13,610	5,476	(320)	71	(5,931)	406	13,312
Recognised in profit and loss account							
- on disposal of investment securities	-	-	-	(71)	-	-	(71)
Transfer of share premium to share capital *	5,476	(5,476)	-	-	-	-	-
Currency translation	-	-	17	-	-	3	20
Profit/(loss) for the year	-	-	-	-	2,437	116	2,553
At 31 December 2006	19,086	-	(303)	-	(3,494)	525	15,814
At 1 January 2005	12,610	2,476	(370)	313	(8,153)	611	7,487
Net unrealised loss	-	-	-	(130)	-	-	(130)
Recognised in profit and loss account							
- on disposal of investment securities	-	-	-	(112)	-	-	(112)
Currency translation	-	-	50	-	-	(12)	38
Profit/(loss) for the year	-	-	-	-	2,222	(193)	2,222
Issuance of ordinary shares in exchange for inventories and plant and equipment	1,000	3,000	-	-	-	-	4,000
At 31 December 2005	13,610	5,476	(320)	71	(5,931)	406	13,505

Company

	Attributable to equity holders of the Company			
	Share Capital $'000	**Share Premium $'000**	**Accumulated Losses $'000**	**Total Equity $'000**
At 1 January 2006	13,610	5,476	(11,961)	7,125
Profit for the year	-	-	133	133
Transfer of share premium to share capital *	5,476	(5,476)	-	-
At 31 December 2006	19,086	-	(11,828)	7,258
At 1 January 2005	12,610	2,476	(9,436)	5,650
Loss for the year	-	-	(2,525)	(2,525)
Issuance of ordinary shares in exchange for inventories and plant and equipment	1,000	3,000	-	4,000
At 31 December 2005	13,610	5,476	(11,961)	7,125

* In accordance with the Companies (Amendment) Act 2005, which was effective from 30 January 2006, the concepts of par value and authorised share capital were abolished and the shares of the Company ceased to have a par value. The amount in the share premium reserve of the Company's as at 31 December 2005 had become part of the Company's share capital as at 30 January 2006.

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.

In accordance with the Companies (Amendment) Act 2005, which was effective from 30 January 2006, the concepts of par value and authorised share capital were abolished and the shares of the Company ceased to have a par value. The amount in the share premium reserve of the Company had become of the Company's share capital as at 30 January 2006, as shown in the table below.

	No of Shares	Issued & Fully Paid Capital	Share Premium
Balance as at 31 December 2005	1,361,052,278	13,610,523	5,476,397
Transfer of share premium reserve to share capital	-	5,476,397	(5,476,397)
Balance as at 31 December 2006	1,361,052,278	19,086,920	-

Except as mentioned above, there have been no changes to the Company issued share capital since 31 December 2005.

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 matters).

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 in the following item 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the financial year 2006 as those adopted in the most recently audited financial statements for the year ended 31 December 2005 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.

The Group has adopted the new Singapore Financial Reporting Standards (FRS) that are mandatory for the financial years beginning on or after 1 January 2006 where applicable. The adoption of these standards 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.

	31.12.2006 Cents	31.12.2005 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	0.18	0.17
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	0.18	0.17

The computation of earning per ordinary share on the weighted average number of shares and fully diluted basis is based on 1,361,052,278 shares (2005: 1,312,011,182 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	
	31.12.2006 Cents	31.12.2005 Cents	31.12.2006 Cents	31.12.2005 Cents
Net asset value per ordinary share based on issued capital at the end of the period reported on	1.12	0.95	0.53	0.52

The computation of net asset value per ordinary share is based on 1,361,052,278 (2005: 1,361,052,278) ordinary shares issued as at the end of the financial year.

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

Revenue for the Group decreased by 18% from S$123.2 million in FY 2005 to S$101.1 million in FY 2006. The decrease in revenue was mainly due to projects of lower value recognised in FY 2006 but with better gross profit margins and also most of the projects secured in the later part of last year were still in the preliminary stage and the Group did not recognise revenue from the projects which were at the preliminary stage.

Cost of sales decreased by 21% due to decrease in the revenue.

Other revenue decreased by approximately S$1.2 million mainly because the Group recorded a gain on disposal of property amounting to S$1.3 in FY 2005 but no such gains were recorded in FY 2006.

Administrative and other operating costs increased by approximately S$1.4 million. This was mainly due to (i) foreign exchange loss increased by S$0.5 million; (ii) office rental increased by S$0.4 million; (iii) write back for doubtful receivables of S$0.6 million in FY 2005 versus S$0.3 million in FY 2006; (iv) loss on disposal of plant & equipment of S$0.1 million; and (v) recognition of costs incurred in the Sri Lanka branch of S$0.1 million

Finance cost decreased by S$0.3 million mainly because the Group did not incur interest on promissory notes for FY 2006 as the promissory notes were fully repaid in FY 2005 as well as full repayment of bank overdraft in the second half of 2005 for overdraft facilities granted to a subsidiary.

Profit before tax increased by S$0.04 million mainly as a result of increase in administrative and other operating costs totalling S$1.4 million and the decrease of other revenue by S$1.2 million and this was offset by the increase in gross profit of S$2.4 million and the decrease in finance cost of S$0.3 million.

The assets value of S$18.5 million in development properties as at 31 December 2006 represents the total cost of the land of the freehold properties at 21 St Martin's Drive . The project is expected to be launched in the second quarter of 2007.

The Group maintained a healthy liquidity position. As at 31 December 2006, the Group had a cash and cash equivalents position of approximately S$14.0 million as against S$12.3 million as at 31 December 2005.

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

No forecast has been previously disclosed to shareholders for the period under review.

On 19 October 2006, the Company made a clarification to SGX in relation to The Business Times' article on 19 October 2006. Following prospect statement was included in the clarification announcement:

"We will remain profitable this year. Based on our order book and the progress of work done, a net profit that is about the same as last year is expected to be achievable."

The actual results of the Group was in line with our expectation.

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.

Based on BCA's Development Plans Survey conducted in October 2006 and the latest developments in the construction sector, total construction demand (excluding reclamation works) is likely to reach between S$17.0 billion and S$19.0 billion in 2007 as compared to S$16.1 billion in 2006. For 2007, Public sector construction demand is anticipated to improve between S$5.2 billion and S$6 billion, fuelled by expected increase in all development types. The most significant expansion is likely to come from the industrial building category which accounted for S$4.7 billion to S$5.0 billion. Public residential construction demand is projected to range between S$1.2 billion and S$1.4 billion in 2007, of which about 60% coming from redeveloping old public housing flats and building new units for Build-To-Order scheme, studio apartments and more hostels to be built by Nanyang Technological University (NTU). Commercial building construction demand is expected to increase slightly and to be in the range of S$3.4 billion to S$3.7 billion which includes the building of People's Association Headquarters and other hawkers centres upgrading programme. Institutional and other building construction demand is projected to increase to between S$1.6 billion and S$1.9 billion. The expansion will be fuelled by the likely Institute of Technical Education's (ITE's) upcoming second regional campus, Ministry of Health's (MOH's) Alexandra Hospital and Ministry of Education (MOE's) PRIME phases 7 & 8. In respect of the civil engineering construction demand it is likely to be boosted to between S$1.3 billion and S$1.6 billion with various MRT contracts to be awarded. For private sector, the construction demand is forecast to continue its strong growth momentum in the range of between S$11.8 and S$13.0 billion worth of projects. This includes among others the upcoming development of two Integrated Resorts and the Marina Bay Financial Centre. In tandem with higher construction demand, demand for basic construction materials are expected to increase in anticipation of an upsurge in construction activities in 2007. It is expected that higher demand for basic construction materials will result in an overall increase in price.

The highly competitive environment in the Singapore construction industry has prompted the Group to look out for project in overseas markets. For FY 2006, the Group was awarded a contract to build a 4-storey Singapore School at Hulhumale in Maldives at a contract sum of S$6.6 and also to build a 35-storey condominium tower in Colombo, Sri Lanka for Asian Hotels and Properties Limited at a contract sum of US$32 million.

The Group has also actively looked into property development projects to complement the core construction activities. Through its property development, SP Development Pte. Ltd, the Group purchased a plot of land at St. Martin Drive's. On 11 February 2007, it was announced that SP Development Pte Ltd has entered into an agreement with Tennessee Pte Ltd and Shing Kwan (Pte) Ltd, the owner of the adjacent land sites. The objective is to develop the 3 land sites into a single residential development consists of 16 super luxury triplex units with average size of 4,000 square feet over three stories, own pool, private garden and balcony with all the security features.

As at the date of the announcement, the Group's construction order book currently stands at approximately S$360 million. The Group currently has existing business in Malaysia, Sri Lanka, Thailand, Philippines and Maldives.

To enhance the Group's core competencies and efficiency, the Group will remain selective in tendering for projects and prudent measures will be taken to control costs.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported on?	None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?	None

(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 and in the corresponding period of the immediately preceding financial year.

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) Primary Segment - Business Segment

	Specialised engineering $'000	General construction $'000	Property development $'000	Others $'000	Total $'000
2006					
Revenue :					
External sales	40,008	61,060	-	-	101,068
Segment result	1,517	1,536	293	(415)	2,931
Finance costs					(296)
Share of results of associates					45
Profit before taxation					2,680
Taxation					(127)
Profit for the year					2,553
Segment assets	25,736	48,032	18,591	563	92,922
Investment in associates					101
Unallocated assets					200
Total assets					93,223
Segment liabilities	18,468	40,700	71	1,324	60,563
Unallocated liabilities					16,846
Total liabilities					77,409
Other segment information :					
Capital additions	812	345	-	-	1,157
Depreciation	763	1,408	-	27	2,198
2005					
Revenue :					
External sales	29,791	93,449	-	-	123,240
Segment result	(1,412)	3,037	390	1,131	3,146
Finance costs					(549)
Share of results of associates					41
Profit before taxation					2,638
Taxation					(609)
Profit for the year					2,029
Segment assets	21,004	49,767	8	537	71,316
Investment in associates					66
Total assets					71,382
Segment liabilities	14,822	35,759	729	1,108	52,418
Unallocated liabilities					5,652
Total liabilities					58,070
Other segment information :					
Capital additions	260	3,637	-	-	3,897
Depreciation	924	1,466	-	27	2,417

(b) Secondary Segment - Geographic Segment

	Singapore $'000	Malaysia $'000	Thailand $'000	Sri Lanka $'000	Others $'000	Total $'000
2006						
Revenue :						
External sales	62,744	25,314	3,381	9,629	-	101,068
Segment assets	69,023	17,050	1,237	5,462	150	92,922
Investment in associates						101
Unallocated assets						200
Total assets						93,223
Segment liabilities	43,069	11,764	49	5,526	155	60,563
Unallocated liabilities						16,846
Total liabilities						77,409
Other segment information :						
Capital additions	638	417	-	102	-	1,157
Depreciation	1,540	530	81	47	-	2,198
2005						
Revenue :						
External sales	94,210	14,231	5,043	9,756	-	123,240
Segment assets	51,916	13,718	1,421	4,095	166	71,316
Investment in associates						66
Total assets						71,382
Segment liabilities	39,581	8,536	544	3,682	75	52,418
Unallocated liabilities						5,652
Total liabilities						58,070
Other segment information :						
Capital additions	3,685	163	4	45	-	3,897
Depreciation	1,744	569	89	15	-	2,417

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 (review of performance) and item 13 (segmented revenue and results).

15 A breakdown of sales.

		Group Year ended 31.12.2006 $'000	Group Year ended 31.12.2005 $'000	Increase/ (Decrease) %
(a)	Sales reported for the first half year	43,057	58,032	(26)
(b)	Operating profit after tax before deducting minority interests reported for the first half year	879	1,521	(42)
(c)	Sales reported for the second half year	58,011	65,208	(11)
(d)	Operating profit after tax before deducting minority interests reported for the second half year	1,674	508	230

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

	31.12.2006 $'000	31.12.2005 $'000
Ordinary	0	0
Preference	0	0
Total:	0	0

17 Interested Persons Transactions.

The aggregate value of interested persons transactions conducted during the financial year

Name of Interested Person	Aggregate value of all interested persons transactions conducted during the financial period under review	
	31.12.2006	**31.12.2005**
	S$'000	**S$'000**
General Transactions - Transactions for the Sale of Goods and Services		
Engineering 2000	60	60
(A firm where the chief executive officer of the Company is a partner)		
Licence fee		
BBR VT International Ltd	92	95
(A related corporation of BBR Holding Ltd., Switzerland, a substantial shareholder of the Company)		

Singapore, 16 February 2007