

VICOM LTD

Company Registration No. : 198100320K

Financial Statement and Dividend Announcement for the Third Quarter and Nine Months to 30 September 2008**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR RESULTS AND FULL YEAR RESULTS****1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding periods of the immediately preceding financial year**

The Board of Directors announces the unaudited results of the Group for the 3rd quarter and 9 months to 30 September 2008.

| | Group | | | | | |
|-------------------------------|-------------------------|-------------------------|-------------------------|--|--|-------------------------|
| | 3rd Qtr 2008 | 3rd Qtr 2007 | Incr/ (Decr) | 9 months to 30 Sep 2008 | 9 months to 30 Sep 2007 | Incr/ (Decr) |
| | \$'000 | \$'000 | % | \$'000 | \$'000 | % |
| Turnover | 19,624 | 16,220 | 21.0 | 55,069 | 48,180 | 14.3 |
| Other operating income | 26 | 70 | (62.9) | 54 | 84 | (35.7) |
| Revenue | 19,650 | 16,290 | 20.6 | 55,123 | 48,264 | 14.2 |
| Staff costs | (9,014) | (6,928) | 30.1 | (24,140) | (19,939) | 21.1 |
| Depreciation expense | (1,318) | (1,164) | 13.2 | (3,804) | (3,493) | 8.9 |
| Repair & maintenance | (285) | (230) | 23.9 | (887) | (829) | 7.0 |
| Materials and consumables | (695) | (475) | 46.3 | (1,800) | (1,589) | 13.3 |
| Payment for contract services | (1,136) | (1,190) | (4.5) | (3,138) | (2,832) | 10.8 |
| Premise costs | (602) | (608) | (1.0) | (1,744) | (1,745) | (0.1) |
| Insurance | (34) | (27) | 25.9 | (110) | (121) | (9.1) |
| Other operating expenses | (1,372) | (1,513) | (9.3) | (3,645) | (3,555) | 2.5 |
| Total operating expenses | (14,456) | (12,135) | 19.1 | (39,268) | (34,103) | 15.1 |
| Operating profit | 5,194 | 4,155 | 25.0 | 15,855 | 14,161 | 12.0 |
| Interest income | 40 | 58 | (31.0) | 132 | 215 | (38.6) |
| Profit before taxation | 5,234 | 4,213 | 24.2 | 15,987 | 14,376 | 11.2 |
| Taxation | (1,015) | (884) | 14.8 | (3,009) | (2,872) | 4.8 |
| Profit after taxation | 4,219 | 3,329 | 26.7 | 12,978 | 11,504 | 12.8 |
| Attributable to: | | | | | | |
| Shareholders of the Company | 4,104 | 3,246 | 26.4 | 12,681 | 11,301 | 12.2 |
| Minority interests | 115 | 83 | 38.6 | 297 | 203 | 46.3 |
| | 4,219 | 3,329 | 26.7 | 12,978 | 11,504 | 12.8 |

1(a)(ii) Included in the determination of profit before taxation is:

| | Group | | | |
|---|---------|---------|----------------|----------------|
| | 3rd Qtr | 3rd Qtr | 9 months to | 9 months to |
| | 2008 | 2007 | 30 Sep 2008 | 30 Sep 2007 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| After crediting (charging): | | | | |
| Write-back (provision) for doubtful trade receivables | 1 | (484) | 140 | (428) |

1(a)(iii) Adjustment for (under) over provision of taxation in respect of prior years:

| | Group | | | |
|---|---------|---------|----------------|----------------|
| | 3rd Qtr | 3rd Qtr | 9 months to | 9 months to |
| | 2008 | 2007 | 30 Sep 2008 | 30 Sep 2007 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Adjustment for (under) over provision of taxation in respect of prior years | 0 | 0 | 134 | (9) |

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 Sep 2008 | 31 Dec 2007 | 30 Sep 2008 | 31 Dec 2007 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| <u>ASSETS</u> | | | | |
| Current assets | | | | |
| Cash and bank balances | 21,156 | 14,015 | 19,061 | 11,567 |
| Trade receivables | 12,585 | 8,763 | 992 | 934 |
| Other receivables and prepayments | 632 | 597 | 313 | 269 |
| Inventories | 66 | 41 | 0 | 0 |
| Total current assets | 34,439 | 23,416 | 20,366 | 12,770 |
| Non-current assets | | | | |
| Subsidiaries | 0 | 0 | 26,196 | 26,196 |
| Staff loans | 20 | 42 | 0 | 0 |
| Club memberships | 315 | 315 | 315 | 315 |
| Vehicles, premises and equipment | 42,754 | 43,098 | 26,945 | 28,102 |
| Goodwill | 11,325 | 11,325 | 0 | 0 |
| Total non-current assets | 54,414 | 54,780 | 53,456 | 54,613 |
| Total assets | 88,853 | 78,196 | 73,822 | 67,383 |

| | Group | | Company | |
|--|----------------------|----------------------|----------------------|----------------------|
| | 30 Sep | 31 Dec | 30 Sep | 31 Dec |
| | 2008 | 2007 | 2008 | 2007 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| <u>LIABILITIES AND EQUITY</u> | | | | |
| Current liabilities | | | | |
| Trade payables | 3,412 | 3,093 | 749 | 390 |
| Other payables | 14,843 | 10,742 | 22,895 | 19,743 |
| Income tax payable | 3,621 | 3,479 | 1,338 | 1,437 |
| Total current liabilities | <u>21,876</u> | <u>17,314</u> | <u>24,982</u> | <u>21,570</u> |
| Non-current liability | | | | |
| Deferred tax liabilities | <u>936</u> | <u>928</u> | <u>8</u> | <u>0</u> |
| Capital reserves and minority interests | | | | |
| Share capital | 30,041 | 29,874 | 30,041 | 29,874 |
| Capital reserves | 3,092 | 3,088 | 3,119 | 3,098 |
| Accumulated profits | 31,253 | 25,194 | 15,672 | 12,841 |
| Equity attributable to shareholders of the Company | <u>64,386</u> | <u>58,156</u> | <u>48,832</u> | <u>45,813</u> |
| Minority interests | 1,655 | 1,798 | 0 | 0 |
| Total equity | <u>66,041</u> | <u>59,954</u> | <u>48,832</u> | <u>45,813</u> |
| Total liabilities & equity | <u><u>88,853</u></u> | <u><u>78,196</u></u> | <u><u>73,822</u></u> | <u><u>67,383</u></u> |

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

NIL

Details of any collateral

NIL

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

Consolidated Cash Flow Statement for the 3rd quarter and 9 months to 30 September 2008:

| | Group | | | |
|--|-------------------------|-------------------------|--|--|
| | 3rd Qtr 2008 | 3rd Qtr 2007 | 9 months to 30 Sep 2008 | 9 months to 30 Sep 2007 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating activities | | | | |
| Profit before taxation | 5,234 | 4,213 | 15,987 | 14,376 |
| Adjustments for: | | | | |
| Depreciation expense | 1,318 | 1,164 | 3,804 | 3,493 |
| Interest income | (40) | (58) | (132) | (215) |
| (Gain) Loss on disposal of vehicles, premises and equipment | 1 | (9) | (3) | (5) |
| Share-based payment expense | 8 | 8 | 23 | 11 |
| Provision for doubtful trade receivables | (1) | 484 | (140) | 428 |
| Operating cash flows before movements in working capital | 6,520 | 5,802 | 19,539 | 18,088 |
| Trade receivables | (780) | (1,191) | (3,682) | (3,071) |
| Other receivables and prepayments | 117 | (49) | (18) | (46) |
| Inventories | 10 | (21) | (25) | (35) |
| Trade payables | (118) | 108 | 319 | (632) |
| Other payables | 3,943 | 2,190 | 4,103 | 882 |
| Cash generated from operations | 9,692 | 6,839 | 20,236 | 15,186 |
| Income tax paid | (1,303) | (1,015) | (2,860) | (2,661) |
| Net cash from operating activities | 8,389 | 5,824 | 17,376 | 12,525 |
| Investing activities | | | | |
| Purchase of vehicles, premises and equipment | (823) | (346) | (3,463) | (1,560) |
| Proceeds from disposal of vehicles, premises and equipment | 0 | 25 | 6 | 115 |
| Interest received | 56 | 69 | 136 | 213 |
| Net cash used in investing activities | (767) | (252) | (3,321) | (1,232) |
| Financing activities | | | | |
| Proceeds from exercise of share options | 83 | 731 | 165 | 1,295 |
| Payment to minority interest | (220) | (110) | (440) | (440) |
| Dividend paid | (4,274) | (10,837) | (6,622) | (18,217) |
| Net cash used in financing activities | (4,411) | (10,216) | (6,897) | (17,362) |
| Net effect of exchange rate changes in consolidating subsidiaries | | | | |
| | (1) | (5) | (17) | (1) |
| Net (decrease) increase in cash and cash equivalents | 3,210 | (4,649) | 7,141 | (6,070) |
| Cash and cash equivalents at beginning of period | 17,946 | 12,289 | 14,015 | 13,710 |
| Cash and cash equivalents at end of period | 21,156 | 7,640 | 21,156 | 7,640 |

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

Consolidated Statement of Changes in Equity for the 3rd quarter and 9 months to 30 September 2008:

| Group | <u>Attributable to shareholders of the Company</u> | | | | | Total equity \$'000 |
|---|--|------------------|---------------------|---------|--------------------|------------------------|
| | Share capital | Capital Reserves | Accumulated profits | Total | Minority interests | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | |
| Balance at 1 January 2008 | 29,874 | 3,088 | 25,194 | 58,156 | 1,798 | 59,954 |
| Exchange differences arising on translation of foreign operations | 0 | (16) | 0 | (16) | 0 | (16) |
| Net expense recognised directly in equity | 0 | (16) | 0 | (16) | 0 | (16) |
| Profit after taxation | 0 | 0 | 8,577 | 8,577 | 182 | 8,759 |
| Total recognised income and expense for the period | 0 | (16) | 8,577 | 8,561 | 182 | 8,743 |
| Exercise of share options | 82 | (1) | 0 | 81 | 0 | 81 |
| Recognition of share-based payments | 0 | 15 | 0 | 15 | 0 | 15 |
| Dividend paid | 0 | 0 | (2,348) | (2,348) | (220) | (2,568) |
| Balance at 30 June 2008 | 29,956 | 3,086 | 31,423 | 64,465 | 1,760 | 66,225 |
| Exchange differences arising on translation of foreign operations | 0 | (1) | 0 | (1) | 0 | (1) |
| Net expense recognised directly in equity | 0 | (1) | 0 | (1) | 0 | (1) |
| Profit after taxation | 0 | 0 | 4,104 | 4,104 | 115 | 4,219 |
| Total recognised income and expense for the period | 0 | (1) | 4,104 | 4,103 | 115 | 4,218 |
| Exercise of share options | 85 | (1) | 0 | 84 | 0 | 84 |
| Recognition of share-based payments | 0 | 8 | 0 | 8 | 0 | 8 |
| Dividend paid | 0 | 0 | (4,274) | (4,274) | (220) | (4,494) |
| Balance at 30 September 2008 | 30,041 | 3,092 | 31,253 | 64,386 | 1,655 | 66,041 |

Consolidated Statement of Changes in Equity for the 3rd quarter and 9 months to 30 September 2007:

| Group | <u>Attributable to shareholders of the Company</u> | | | | | Total equity |
|---|--|------------------|---------------------|----------|--------------------|--------------|
| | Share capital | Capital reserves | Accumulated profits | Total | Minority interests | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | |
| Balance at 1 January 2007 | 28,552 | 3,099 | 29,911 | 61,562 | 1,930 | 63,492 |
| Exchange differences arising on translation of foreign operations | 0 | 4 | 0 | 4 | 0 | 4 |
| Net income recognised directly in equity | 0 | 4 | 0 | 4 | 0 | 4 |
| Profit after taxation | 0 | 0 | 8,055 | 8,055 | 120 | 8,175 |
| Total recognised income for the period | 0 | 4 | 8,055 | 8,059 | 120 | 8,179 |
| Exercise of share options | 579 | (15) | 0 | 564 | 0 | 564 |
| Recognition of share-based payments | 0 | 3 | 0 | 3 | 0 | 3 |
| Dividend paid | 0 | 0 | (7,380) | (7,380) | (330) | (7,710) |
| Balance at 30 June 2007 | 29,131 | 3,091 | 30,586 | 62,808 | 1,720 | 64,528 |
| Exchange differences arising on translation of foreign operations | 0 | (5) | 0 | (5) | 0 | (5) |
| Net expense recognised directly in equity | 0 | (5) | 0 | (5) | 0 | (5) |
| Profit after taxation | 0 | 0 | 3,246 | 3,246 | 83 | 3,329 |
| Total recognised income and expense for the period | 0 | (5) | 3,246 | 3,241 | 83 | 3,324 |
| Exercise of share options | 743 | (12) | 0 | 731 | 0 | 731 |
| Recognition of share-based payments | 0 | 8 | 0 | 8 | 0 | 8 |
| Dividend paid | 0 | 0 | (10,837) | (10,837) | (110) | (10,947) |
| Balance at 30 September 2007 | 29,874 | 3,082 | 22,995 | 55,951 | 1,693 | 57,644 |

Statement of Changes in Equity of the Company for the 3rd quarter and 9 months to 30 September 2008:

| Company | Share capital | Capital Reserves | Accumulated profits | Total |
|--|---------------|------------------|---------------------|---------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 January 2008 | 29,874 | 3,098 | 12,841 | 45,813 |
| Profit after taxation | 0 | 0 | 5,036 | 5,036 |
| Total recognised income for the period | 0 | 0 | 5,036 | 5,036 |
| Exercise of share options | 82 | (1) | 0 | 81 |
| Recognition of share-based payments | 0 | 15 | 0 | 15 |
| Dividend paid | 0 | 0 | (2,348) | (2,348) |
| Balance at 30 June 2008 | 29,956 | 3,112 | 15,529 | 48,597 |
| Profit after taxation | 0 | 0 | 4,417 | 4,417 |
| Total recognised income for the period | 0 | 0 | 4,417 | 4,417 |
| Exercise of share options | 85 | (1) | 0 | 84 |
| Recognition of share-based payments | 0 | 8 | 0 | 8 |
| Dividend paid | 0 | 0 | (4,274) | (4,274) |
| Balance at 30 September 2008 | 30,041 | 3,119 | 15,672 | 48,832 |

Statement of Changes in Equity of the Company for the 3rd quarter and 9 months to 30 September 2007:

Company

| | Share capital | Capital Reserves | Accumulated profits | Total |
|--|--------------------------|-----------------------------|--------------------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 January 2007 | 28,552 | 3,106 | 19,013 | 50,671 |
| Profit after taxation | 0 | 0 | 6,533 | 6,533 |
| Total recognised income for the period | 0 | 0 | 6,533 | 6,533 |
| Exercise of share options | 579 | (15) | 0 | 564 |
| Recognition of share-based payments | 0 | 3 | 0 | 3 |
| Dividend paid | 0 | 0 | (7,380) | (7,380) |
| Balance at 30 June 2007 | 29,131 | 3,094 | 18,166 | 50,391 |
| Profit after taxation | 0 | 0 | 3,521 | 3,521 |
| Total recognised income for the period | 0 | 0 | 3,521 | 3,521 |
| Exercise of share options | 743 | (12) | 0 | 731 |
| Recognition of share-based payments | 0 | 8 | 0 | 8 |
| Dividend paid | 0 | 0 | (10,837) | (10,837) |
| Balance at 30 September 2007 | 29,874 | 3,090 | 10,850 | 43,814 |

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 last financial period ended 30 June 2008, the Company issued 79,000 new ordinary shares upon the exercise of options granted under the 2001 VICOM Share Option Scheme by option holders.

As at 30 September 2008, options to subscribe for 1,685,000 ordinary shares (2007: 1,202,000) remained outstanding under the 2001 VICOM Share Option Scheme.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard):

The financial statements have not been audited or reviewed.

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 and the Company have applied accounting policies and methods of computation in the financial statements for the current reporting period consistent with those of the audited financial statements as at 31 December 2007.

In the current financial year, the Group and the Company have adopted all the new and revised Financial Reporting Standards (“FRSs”) and Interpretations of FRSs (“INT FRSs”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2008. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group’s and the Company’s accounting policies and has no material effect on the amounts reported for the current or prior years.

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

| | Group | | | |
|--|-------------------------|-------------------------|--|--|
| | 3rd Qtr 2008 | 3rd Qtr 2007 | 9 months to 30 Sep 2008 | 9 months to 30 Sep 2007 |
| (i) Based on the weighted average number of ordinary shares in issue – cents | 4.81 | 3.81 | 14.94 | 13.33 |
| (ii) On a fully diluted basis (detailing any adjustments made to the earnings) – cents | 4.80 | 3.80 | 14.89 | 13.29 |

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 Sep 2008 | 31 Dec 2007 | 30 Sep 2008 | 31 Dec 2007 |
| Net asset value per ordinary share based on issued share capital – cents | 75.32 | 68.17 | 57.12 | 53.70 |

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

PERFORMANCE REVIEW

Revenue

The Group's total revenue for 3Q08 increased by \$3.4 million or 20.6% to \$19.7 million against the corresponding period last year. Main contributors to the increase were \$0.6 million from vehicle inspection and \$2.5 million from test and inspection services (Setsco), the result of improved business volumes.

Operating Expenses

Group operating expenses of \$14.5 million for the quarter was \$2.3 million or 19.1% higher compared with the same period last year, due mainly to increased operating expenses in Setsco to support the higher revenue stream and higher staff costs.

Operating Profit

Operating profit for the vehicle inspection business in 3Q08 increased by \$0.6 million to \$1.6 million against the same period last year as a result of the increase in rental expense in 3Q07.

Interest income decreased due to lower deposit rates.

Group profit before tax for the quarter increased by \$1.0 million or 24.2% to \$5.2 million.

A segmented turnover and results for the Group are provided under item 13.

Balance Sheet

Total equity increased by \$6.1 million from \$59.9 million as at 31 December 2007 to \$66.0 million as at 30 September 2008 due mainly to profits generated from operations, partially offset by the payment of dividends.

Total assets increased by \$10.6 million to \$88.8 million from the increases in cash by \$7.1 million and trade receivables by \$3.8 million but partially offset by the decrease in fixed assets of \$0.3 million.

Total liabilities increased by \$4.6 million to \$22.8 million due mainly to the increases in other payables by \$4.1 million, trade payables by \$0.3 million and income tax payable by \$0.1 million.

Cash Flow

The net cash inflow in 3Q08 was \$3.2 million after payment of dividend.

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

No forecast or prospect statement was previously disclosed to shareholders.

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

Vehicle inspection business volume is likely to trend upwards in the near term on the back of the expected decrease in the rate of vehicle de-registration. The testing and inspection business level is also expected to remain steady, despite the likely trend to hold back the start-up of new construction projects in the face of the uncertain economic outlook.

Overall, the Group remains cautiously optimistic that the operating results will be maintained for the next quarter, but realistically less sanguine for next year.

11. Dividend

(a) Current Financial Period Reported On

Any dividend proposed 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/recommendeded, a statement to that effect

No dividend has been recommended.

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

Group segmental information for the 3rd quarter and 9 months to 30 September 2008 and 30 September 2007.

| <u>Group</u> <u>Third quarter ended</u> <u>30 Sep 2008</u> | <u>Vehicle</u> <u>Inspection</u> <u>Business</u> \$'000 | <u>Vehicle</u> <u>Assessment</u> \$'000 | <u>Test &</u> <u>Inspection</u> <u>Services</u> \$'000 | <u>Rental</u> <u>Income</u> \$'000 | <u>Other</u> <u>Related</u> <u>Business</u> \$'000 | <u>Elimination</u> \$'000 | <u>Total</u> \$'000 |
|--|--|---|---|--|---|------------------------------|------------------------|
| TURNOVER | | | | | | | |
| External sales | 5,710 | 704 | 11,915 | 416 | 905 | 0 | 19,650 |
| Inter-segment sales | 0 | 0 | 23 | 1,611 | 174 | (1,808) | 0 |
| Revenue | 5,710 | 704 | 11,938 | 2,027 | 1,079 | (1,808) | 19,650 |

RESULT

| | | | | | | | |
|--|-------|----|-------|-------|-----|---|---------|
| Segment result | 1,629 | 53 | 1,650 | 1,280 | 582 | 0 | 5,194 |
| Interest income | | | | | | | 40 |
| Profit before taxation | | | | | | | 5,234 |
| Taxation | | | | | | | (1,015) |
| Profit after taxation | | | | | | | 4,219 |
| Minority interests | | | | | | | (115) |
| Profit attributable to shareholders of the Company | | | | | | | 4,104 |

| <u>Group</u> <u>Third quarter ended</u> <u>30 Sep 2007</u> | <u>Vehicle</u> <u>Inspection</u> <u>Business</u> \$'000 | <u>Vehicle</u> <u>Assessment</u> \$'000 | <u>Test &</u> <u>Inspection</u> <u>Services</u> \$'000 | <u>Rental</u> <u>Income</u> \$'000 | <u>Other</u> <u>Related</u> <u>Business</u> \$'000 | <u>Elimination</u> \$'000 | <u>Total</u> \$'000 |
|--|--|---|---|--|---|------------------------------|------------------------|
| TURNOVER | | | | | | | |
| External sales | 5,135 | 631 | 9,404 | 381 | 739 | 0 | 16,290 |
| Inter-segment sales | 0 | 0 | 21 | 2,049 | 164 | (2,234) | 0 |
| Revenue | 5,135 | 631 | 9,425 | 2,430 | 903 | (2,234) | 16,290 |

RESULT

| | | | | | | | |
|--|-----|---|-------|-------|-----|---|-------|
| Segment result | 990 | 5 | 1,027 | 1,688 | 445 | 0 | 4,155 |
| Interest income | | | | | | | 58 |
| Profit before taxation | | | | | | | 4,213 |
| Taxation | | | | | | | (884) |
| Profit after taxation | | | | | | | 3,329 |
| Minority interests | | | | | | | (83) |
| Profit attributable to shareholders of the Company | | | | | | | 3,246 |

| Group 9 months to 30 Sep 2008 | Vehicle Inspection Business \$'000 | Vehicle Assessment \$'000 | Test & Inspection Services \$'000 | Rental Income \$'000 | Other Related Business \$'000 | Elimination \$'000 | Total \$'000 |
|--|---|--|--|---|--|-------------------------------------|-------------------------------|
| TURNOVER | | | | | | | |
| External sales | 16,883 | 2,003 | 32,545 | 1,180 | 2,512 | 0 | 55,123 |
| Inter-segment sales | 0 | 0 | 72 | 4,693 | 539 | (5,304) | 0 |
| Revenue | <u>16,883</u> | <u>2,003</u> | <u>32,617</u> | <u>5,873</u> | <u>3,051</u> | <u>(5,304)</u> | <u>55,123</u> |

RESULT

| | | | | | | | |
|--|-------|----|-------|-------|-------|---|----------------------|
| Segment result | 5,170 | 65 | 5,259 | 3,664 | 1,697 | 0 | 15,855 |
| Interest income | | | | | | | <u>132</u> |
| Profit before taxation | | | | | | | 15,987 |
| Taxation | | | | | | | <u>(3,009)</u> |
| Profit after taxation | | | | | | | 12,978 |
| Minority interests | | | | | | | <u>(297)</u> |
| Profit attributable to shareholders of the Company | | | | | | | <u><u>12,681</u></u> |

| Group 9 months to 30 Sep 2007 | Vehicle Inspection Business \$'000 | Vehicle Assessment \$'000 | Test & Inspection Services \$'000 | Rental Income \$'000 | Other Related Business \$'000 | Elimination \$'000 | Total \$'000 |
|--|---|--|--|---|--|-------------------------------------|-------------------------------|
| TURNOVER | | | | | | | |
| External sales | 15,248 | 1,922 | 27,793 | 1,090 | 2,211 | 0 | 48,264 |
| Inter-segment sales | 0 | 0 | 80 | 4,380 | 487 | (4,947) | 0 |
| Revenue | <u>15,248</u> | <u>1,922</u> | <u>27,873</u> | <u>5,470</u> | <u>2,698</u> | <u>(4,947)</u> | <u>48,264</u> |

RESULT

| | | | | | | | |
|--|-------|------|-------|-------|-------|---|----------------------|
| Segment result | 4,666 | (74) | 4,895 | 3,286 | 1,388 | 0 | 14,161 |
| Interest income | | | | | | | <u>215</u> |
| Profit before taxation | | | | | | | 14,376 |
| Taxation | | | | | | | <u>(2,872)</u> |
| Profit after taxation | | | | | | | 11,504 |
| Minority interests | | | | | | | <u>(203)</u> |
| Profit attributable to shareholders of the Company | | | | | | | <u><u>11,301</u></u> |

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 for commentaries relating to changes in performance of business segments.

The Group operates predominantly in Singapore.

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

Not applicable.

17. Negative assurance confirmation on interim financial results under SGX Listing Rule 705(4) of the Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the third quarter 2008 financial results to be false or misleading in any material aspects.

ON BEHALF OF THE DIRECTORS

LIM JIT POH
Chairman

HENG CHYE KIOU
Chief Executive Officer

BY ORDER OF THE BOARD

Chan Wan Tak, Wendy
Company Secretary

12 November 2008