

**NTEGRATOR INTERNATIONAL LIMITED**

(Co. Regn. No: 199904281D)

**HALF YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2009****PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF 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		
	S\$'000		%
	HY2009	HY2008	Increase/ (Decrease)
Revenue	31,559	21,338	47.9%
Other gains/(losses)	789	(311)	n.m.
Equipment and consumables used	(24,847)	(18,832)	31.9%
Employee compensation	(2,215)	(2,164)	2.4%
Freight	(396)	(625)	(36.6%)
Depreciation of plant and equipment	(197)	(121)	62.8%
Finance	(170)	(223)	(23.8%)
Other	(798)	(1,032)	(22.7%)
Changes in inventories and contract work-in-progress	(3,039)	3,236	193.9%
	(31,662)	(19,761)	60.2%
<b>Profit before income tax</b>	686	1,266	(45.8%)
Income tax	(90)	(236)	(61.9%)
<b>Net profit for the financial period</b>	596	1,030	(42.1%)
<b>Attributable to:</b>			
Shareholders of the Company	612	1,140	(46.3%)
Minority interests	(16)	(110)	(85.5%)
	596	1,030	(42.1%)
<b>Consolidated comprehensive income</b>			
Net profit	596	1,030	
Currency translation differences	14	(9)	
	610	1,021	
<b>Attributable to:</b>			
Shareholders of the Company	626	1,131	
Minority interests	(16)	(110)	
	610	1,021	

n.m. : not meaningful

Any discrepancies in the tables included in this announcement between the total sums of amounts listed and the totals shown are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

**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	
	30/06/2009	31/12/2008	30/06/2009	31/12/2008
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	4,484	2,691	10	13
Trade and other receivables	47,029	32,707	3,047	4,066
Inventories	2,462	2,689	-	-
Contract work-in-progress	3,446	5,629	-	-
Other current assets	4,678	4,272	27	41
	62,099	47,988	3,084	4,120
<b>Non-current assets</b>				
Trade and other receivables	16,279	17,794	-	-
Deferred expenditure	26	-	26	-
Investment in subsidiaries	-	-	12,000	12,000
Property, plant and equipment	228	178	-	-
Intangible assets	1,542	1,491	-	-
	18,075	19,463	12,026	12,000
<b>Total assets</b>	80,174	67,451	15,110	16,120
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Contract work-in-progress	1,225	596	-	-
Trade and other payables	50,171	42,854	417	433
Borrowings	2,344	2,480	-	-
Current income tax liabilities	225	276	-	8
	53,965	46,206	417	441
<b>Non-current liabilities</b>				
Borrowings	4,072	14	-	-
Deferred tax liabilities	59	59	-	-
	4,131	73	-	-
<b>Total liabilities</b>	58,096	46,279	417	441
<b>Net assets</b>	22,078	21,172	14,693	15,679
<b>Equity</b>				
Issued share capital	13,708	13,708	13,708	13,708
Employee share option reserve	530	234	530	234
Foreign currency translation reserve	(6)	(20)	-	-
Retained profits	7,860	7,248	455	1,737
	22,092	21,170	14,693	15,679
Minority interests	(14)	2	-	-
<b>Total equity and minority interest</b>	22,078	21,172	14,693	15,679

**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 June 2009		As at 31 December 2008	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	2,344	-	2,480

**Amount repayable after one year**

As at 30 June 2009		As at 31 December 2008	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	4,072	-	-

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

	<b>Group</b>	
	<b>S\$'000</b>	
	HY2009	HY2008
<b>Cash flow from operating activities:</b>		
Net profit	596	1,030
Adjustments for:		
Income tax expense	90	236
Depreciation of plant and equipment	197	121
Loss on disposals of plant and equipment	3	-
Interest expense	170	223
Interest income	(2)	(5)
Share option expenses	296	-
Amortisation of bills receivable	-	(339)
Foreign currency translation differences	17	44
	1,367	1,310
Changes in working capital		
Inventories and contract work-in-progress	3,039	(3,236)
Deferred expenditure	(26)	-
Trade and other receivables	(12,807)	(6,829)
Other current assets	(406)	278
Trade and other payables	7,317	6,822
<b>Net cash used in operations</b>	<b>(1,516)</b>	<b>(1,655)</b>
Interest received	2	5
Interest paid	(170)	(223)
Income tax paid	(141)	(104)
Net cash used in operating activities	(1,825)	(1,977)
<b>Cash flow from investing activities:</b>		
Purchase of property, plant and equipment	(122)	(24)
Payment for Intangible assets	(182)	-
Net cash used in investing activities	(304)	(24)
<b>Cash flow from financing activities:</b>		
Proceeds/(repayment) from loan from financial institution	3,930	(811)
Repayment of finance leases	(2)	(2)
Dividend paid	-	(854)
Net cash flows provided by (used in) financing activities	3,928	(1,667)
Net increase/(decrease) in cash and cash equivalents	1,799	(3,668)
Cash and cash equivalents at beginning of financial period	1,160	2,964
<b>Cash and cash equivalents at end of financial period</b>	<b>2,959</b>	<b>(704)</b>

**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	Issued Share capital	Employee Share Options Reserve	Foreign currency translation reserve	Retained profits	Equity attributable to shareholders of the Company	Minority Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	\$'000
<b>Balance as at 31 December 2007 and 1 January 2008</b>	<b>13,708</b>	<b>23</b>	<b>(13)</b>	<b>7,330</b>	<b>21,048</b>	<b>164</b>	<b>21,212</b>
Dividend Paid	-	-	-	(855)	(855)	-	(855)
Share Option Expenses	-	211	-	-	211	-	211
Adjustment to minority interest	-	-	-	-	-	(24)	(24)
Comprehensive income/(loss)	-	-	(7)	773	766	(138)	628
<b>Balance as at 31 December 2008</b>	<b>13,708</b>	<b>234</b>	<b>(20)</b>	<b>7,248</b>	<b>21,170</b>	<b>2</b>	<b>21,172</b>
Share Option Expenses	-	296	-	-	296	-	296
Comprehensive income/(loss)	-	-	14	612	626	(16)	610
<b>Balance as at 30 June 2009</b>	<b>13,708</b>	<b>530</b>	<b>(6)</b>	<b>7,860</b>	<b>22,092</b>	<b>(14)</b>	<b>22,078</b>

Company	Issued Share capital	Employee Share Option Reserve	Retained Profit	Equity attributable to shareholders of the Company
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance as at 31 December 2007 and 1 January 2008</b>	<b>13,708</b>	<b>23</b>	<b>2,933</b>	<b>16,664</b>
Dividend paid	-	-	(855)	(855)
Share Option Expenses	-	211	-	211
Comprehensive loss	-	-	(341)	(341)
<b>Balance as at 31 December 2008</b>	<b>13,708</b>	<b>234</b>	<b>1,737</b>	<b>15,679</b>
Comprehensive income/(loss)	-	296	(1,282)	(986)
<b>Balance as at 30 June 2009</b>	<b>13,708</b>	<b>530</b>	<b>455</b>	<b>14,693</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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.**

	Ordinary Shares	Share Option Scheme ("ESOS")
Balance as at 31 December 2008	341,482,344	34,965,000
Option cancelled during the period	-	85,000
Balance as at 30 June 2009	341,482,344	34,880,000

The total number of shares are as follows:

Date ESOS Grant	Exercise Period	Exercise Price	ESOS outstanding as at 30.12.2008	ESOS outstanding as at 30.06.2009
11.9.2006	11.9.2007 to 10.9.2017	S\$0.13	901,000	816,000
25.08.2008	25.08.2009 to 25.08.2019	S\$0.04	27,564,000	27,564,000
25.08.2008	25.08.2009 to 25.08.2014	S\$0.04	6,500,000	6,500,000

**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.**

	<b>HY 2009</b>	<b>FY 2008</b>
Beginning of financial period	341,482,344	341,482,344
End of financial period	341,482,344	341,482,344

**1(d)(iv) A statement showing all sales, transfer, 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.**

The figures have not been audited or reviewed.

**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.**

The Group has applied the same accounting policies and methods of computation as in the Group's most recently audited financial statements for the financial year ended 31 December 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 Group and the Company have adopted the following new and revised FRSs that are mandatory for financial periods beginning on 1 January 2009.

In the current year, the Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2009. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or amended FRS that are relevant to the Group:

FRS 1 (Revised)	Presentation of Financial Statements
FRS 23 (Revised)	Borrowing Costs
FRS 108	Operating Segments

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

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	
	HY 2009	HY 2008
Earnings per ordinary share of the group		
Based on weighted average number of ordinary shares on issue (cents)	0.18	0.33
Weighted average number of ordinary shares	341,482,344	341,482,344

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares, of the issuer at the end of the:**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	Group	
	30 June 2009	30 June 2008
Net asset value per ordinary share based on issued share capital at the end of:	6.47	6.20
No. of shares used in computation of net assets per share	341,482,344	341,482,344

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.**

Group Revenue	\$'000	\$'000	%
	HY 2009	HY 2008	Increase/ (Decrease)
Project Sales	29,029	20,140	44.1%
Project Management and Maintenance Services	2,530	1,198	111.2%
<b>Total Group</b>	<b>31,559</b>	<b>21,338</b>	<b>47.9%</b>

Gross Profit	\$'000	\$'000	%
	HY 2009	HY 2008	Increase/ (Decrease)
Project Sales	2,599	4,441	(41.5%)
Project Management and Maintenance Services	678	676	0.3%
<b>Total Group</b>	<b>3,277</b>	<b>5,117</b>	<b>(36.0%)</b>



(a) **Overview**

Group revenue for HY 2009 was \$31.6 million, an increase of 47.9% or \$10.2 million over the previous corresponding period. The increase was mainly due to completion of projects as scheduled in Vietnam. Projects completion in Myanmar and Singapore also contributed to the increase in revenue. The Group Net Profit before Tax was \$0.7 million for the period reported, a decrease of 45.8% compared to the corresponding period.

(b) **Revenue**

Project Sales recorded an increase in revenue by 44.1% or \$8.9 million over the previous corresponding period. Despite the challenges faced in this difficult period, the Group is able to record a healthy growth in revenue. The increase in revenue reflects the confidence of our valued customers in the Group.

The performance in Project Management and Maintenance Services improved by 111.2% or \$1.3 million. This improvement is due to renewal of contracts by existing customers and newly secured project management services.

(c) **Profitability**

Gross profit for Project Sales decreased by 41.5% to \$2.6 million compared to \$4.4 million in the previous corresponding period. The decrease in the profit contribution from Project Sales was mainly due to the increase in the cost of borrowings (interest, insurance, bank management fees and charges etc) and cost of sales.

Gross profit for Project Management and Maintenance Services is identical to the comparable to the previous corresponding period amounting to \$0.7 million.

Changes in inventories and contract work-in-progress recorded an increase of 193.9%, this increase is due mainly to the recognition of the respective costs for projects that were in progress during the previous financial period.

Overall, increased competitive market conditions, higher borrowings and cost of sales contributed to lower Profit before tax of \$0.7 million.

(d) **Balance Sheet**

The increase in Trade receivables was mainly due to the completion of several major projects in Vietnam and Myanmar where the collection of the receivables is over a period of 18 months to 5 years secured by Export Letters of Credit with financial institutions. The decrease in the long term trade receivables was mainly due to collection from the MRTV project in Myanmar according to the payment schedule.

Similarly, Trade payables increased with the completion of several major projects in Vietnam. Payables for the projects in Vietnam and Myanmar are supported by a back-to-back arrangement against receipts from both Vietnam and Myanmar, with financial institutions in Singapore.

The decrease in Contract Work-in-progress was mainly due to the recognition of project cost incurred in the previous financial year and it is recognized in the current financial period upon completion of the projects.

Reduction in borrowings was mainly due to repayment of bank borrowings.

The increase in cash and cash equivalent is mainly due to the borrowings from financial institutions.

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

**Not applicable.**

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.**

**Business conditions are expected to remain challenging and competitive for the next 12 months.**

**Outstanding order book as at 30 June 2009 is \$45.3 million.**

**11. Dividend****(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Name of Dividend	Interim	Final
Dividend Type	-	-
Dividend Amount per Share (shares)	-	-
Optional: Dividend Rate (in %)	-	-
Tax Rate	-	-

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

**Not applicable**

**(c) Date payable**

**Not applicable**

**(d) Books closure date**

**Not applicable**

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

**Not applicable**

**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.**

**Not applicable**

- 17. Interested Person Transactions**

**Not applicable**

- 18. Bonus Issue of Warrants**

**The Board of Directors wishes to announce that the Company is proposing to undertake a bonus issue of up to 112,908,703 free bonus warrants. Details of the proposed bonus issue of warrants are set out in a separate announcement.**

BY ORDER OF THE BOARD

Jimmy Chang Joo Whut  
Managing Director  
13 August 2009

**Statement Pursuant to Rule 705(4) of the Listing Manual of the Singapore Stock Exchange Securities Trading Limited**

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 unaudited interim financial results of Ntegrator International Limited for the half year ended 30 June 2009, to be false or misleading in any material aspect.

On Behalf of the Board of Directors

Chang Joo Whut  
Managing Director

Han Meng Siew  
Deputy Chairman