



LEE METAL GROUP LTD

REG. No. 198205439C

Fourth Quarter and Full Year Financial Statements And Dividend Announcement

1(a)(i) The Board of Directors of Lee Metal Group Ltd is pleased to announce the unaudited results of the Group for the Fourth Quarter and Full Year ended 31 Dec 2014.

INCOME STATEMENT FOR FOURTH QUARTER AND FULL YEAR ENDED 31 DEC 2014

	Notes	4th Qtr ended 31 Dec			Full Year ended 31 Dec		
		2014 \$'000	2013 \$'000	+ /(-) %	2014 \$'000	2013 \$'000	+ /(-) %
Turnover		144,329	150,878	(4.3%)	519,270	635,854	(18.3%)
Other operating income	A	227	4,270	(94.7%)	2,074	4,477	(53.7%)
Changes in inventories of finished goods and work-in-progress, raw materials and consumables used and finished goods purchased		(118,665)	(124,064)	(4.4%)	(426,612)	(533,336)	(20.0%)
Employee benefits expense		(8,285)	(8,036)	3.1%	(26,691)	(25,635)	4.1%
Depreciation and amortisation	B	(2,683)	(2,113)	27.0%	(10,161)	(7,073)	43.7%
Insurance, freight and transportation	C	(1,478)	(608)	143.1%	(3,831)	(2,242)	70.9%
Rental and utilities	D	(2,149)	(2,045)	5.1%	(8,443)	(7,228)	16.8%
Repair and maintenance	E	(1,120)	(914)	22.5%	(4,319)	(3,379)	27.8%
Other operating expenses	F	(4,137)	(2,745)	50.7%	(12,885)	(10,893)	18.3%
Financial expense	G	(832)	(932)	(10.7%)	(3,678)	(3,481)	5.7%
Financial income	H	194	197	(1.5%)	1,374	792	73.5%
Share of results of associate	I	365	(7)	n.m	11,545	10	115350.0%
Profit before tax		5,766	13,881	(58.5%)	37,643	47,866	(21.4%)
Income tax expense		(1,081)	(1,905)	(43.3%)	(4,543)	(7,716)	(41.1%)
Profit attributable to equity holders of the Company		4,685	11,976	(60.9%)	33,100	40,150	(17.6%)

STATEMENTS OF COMPREHENSIVE INCOME FOR FOURTH QUARTER AND FULL YEAR ENDED 31 DEC 2014

	4th Qtr ended 31 Dec			Full Year ended 31 Dec		
	2014 \$'000	2013 \$'000	+ /(-) %	2014 \$'000	2013 \$'000	+ /(-) %
Profit attributable to equity holders of the Company	4,685	11,976	(60.9%)	33,100	40,150	(17.6%)
Other comprehensive income (Item that may be reclassified subsequently to profit or loss):-						
- Foreign currency translation reserve	953	112	750.9%	1,090	1,014	7.5%
Total comprehensive income attributable to equity holders of the Company	5,638	12,088	(53.4%)	34,190	41,164	(16.9%)

1(a)(ii) Notes to the Income Statement

	4th Qtr ended 31 Dec			Full Year ended 31 Dec		
	2014 \$'000	2013 \$'000	+ /(-) %	2014 \$'000	2013 \$'000	+ /(-) %
A) Other operating income comprises the following:						
- Impairment loss on trade receivables reversed	-	-	n.m	-	1,042	(100.0%)
- Net gain in foreign exchange	-	1,141	(100.0%)	-	58	(100.0%)
- Gain on disposal of property, plant and equipment, net	-	122	(100.0%)	20	89	(77.5%)
- Gain on disposal of a subsidiary	-	2,600	(100.0%)	-	2,600	(100.0%)
- Commission income	39	14	178.6%	228	60	280.0%
- Gain on disposal of unquoted equity investment	-	-	n.m	-	233	(100.0%)
- Rental income	188	340	(44.7%)	1,723	340	406.8%
- Sundry income	-	53	(100.0%)	103	55	87.3%
	227	4,270	(94.7%)	2,074	4,477	(53.7%)

B) Depreciation and amortisation expense increased by 27.0% in 4th Quarter 2014 and 43.7% for full year ended 31 Dec 2014 due to higher capital expenditure in the Fabrication & Manufacturing business and acquisition of investment properties in Oct 2013.

C) Insurance, freight and transportation increased by 143.1% in 4th Quarter 2014 and 70.9% for full year ended 31 Dec 2014 due to increase in business volume in Fabrication & Manufacturing business as well as transportation cost incurred for Steel Merchandising business.

D) Rental and utilities increased by 5.1% in 4th Quarter 2014 and 16.8% for full year ended 31 Dec 2014 mainly due to additional storage space for increased inventory level in Singapore and higher utilities in line with higher value-added activities in the Fabrication & Manufacturing business.

E) Repair and maintenance increased by 22.5% in 4th Quarter 2014 and 27.8% for full year ended 31 Dec 2014 due to higher costs incurred for upkeeping and servicing of more machineries and motor vehicles.

	4th Qtr ended 31 Dec			Full Year ended 31 Dec		
	2014 \$'000	2013 \$'000	+ / (-) %	2014 \$'000	2013 \$'000	+ / (-) %
F) Other operating expenses include:						
- Outsourcing of labour	1,279	652	96.2%	3,416	3,031	12.7%
- Worker's dormitories and related costs	385	308	25.0%	1,438	1,163	23.6%
- Tools and consumables	394	385	2.3%	1,470	1,237	18.8%
- Insurance	182	234	(22.2%)	1,135	972	16.8%
- Bank charges	104	151	(31.1%)	457	644	(29.0%)
- Trade commission	134	193	(30.6%)	376	558	(32.6%)
- Professional fees	137	176	(22.2%)	491	542	(9.4%)
- Travelling	168	164	2.4%	602	573	5.1%
- Printing and stationery	125	76	64.5%	564	342	64.9%
- Net loss in foreign exchange	801	-	n.m	1,106	-	n.m
- Property, plant and equipment written off	-	-	n.m	1	179	(99.4%)
- Other miscellaneous expenses	428	406	5.4%	1,829	1,652	10.7%
	4,137	2,745	50.7%	12,885	10,893	18.3%

G) Financial expense decreased by 10.7% in 4th Quarter 2014 due to lower trade financing quantum. For the full year ended 31 Dec 2014, financial expense increased by 5.7% mainly due to acquisition of investment properties in Oct 2013.

H) Financial income decreased slightly by 1.5% in 4th Quarter 2014 due to repayment of loan from associate. For the full year ended 31 Dec 2014, financial income increased by 73.5% owing to interest received from associate.

I) Share of results of associate for full year ended 31 Dec 2014 was S\$11.5m due to the share of profit of our joint venture executive condominium project, Austville Residences, which obtained Temporary Occupation Permit (TOP) in 2nd Quarter 2014.

J) n.m means not meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION

ASSETS	Notes	Group		Company	
		31.12.2014 \$'000	31.12.2013 \$'000	31.12.2014 \$'000	31.12.2013 \$'000
Non-current assets					
Property, plant and equipment	1	49,589	38,365	4,515	4,809
Investment properties	1	2,004	17,558	-	-
Investment in subsidiaries		-	-	20,490	20,490
Investment in associate	2	11,983	437	-	-
Club memberships		579	642	227	240
		64,155	57,002	25,232	25,539
Current assets					
Inventories	3	139,616	156,948	-	-
Trade receivables	4	85,166	71,339	-	-
Other receivables and deposits		637	539	11	8
Prepayments	5	6,450	1,093	23	3
Forward exchange contracts		596	409	-	-
Due from subsidiaries (non trade)		-	-	11,083	17,395
Loans to associate	6	10,784	16,349	-	-
Fixed deposits		42,946	65,219	23,303	16,100
Cash and bank balances		46,101	49,950	853	764
		332,296	361,846	35,273	34,270
Total assets		396,451	418,848	60,505	59,809
EQUITY AND LIABILITIES					
Current liabilities					
Trade payables	3	43,234	24,015	24	-
Bills payable to banks (secured)	3	117,258	163,230	-	-
Other payables and accruals		14,260	14,975	441	454
Advance payment from customers	3	5,618	7,764	-	-
Provision for onerous contracts		6,645	6,645	-	-
Hire purchase creditors		4,506	4,326	-	-
Bank term loans (secured)		3,370	3,370	-	-
Income tax payable		6,292	9,384	557	479
		201,183	233,709	1,022	933
Net current assets		131,113	128,137	34,251	33,337
Non-current liabilities					
Hire purchase creditors		10,314	14,435	-	-
Bank term loans (secured)		7,098	10,468	-	-
Deferred tax liabilities		183	144	281	242
		17,595	25,047	281	242
Total liabilities		218,778	258,756	1,303	1,175
Net assets		177,673	160,092	59,202	58,634
Equity attributable to equity holders of the Company					
Share capital		46,473	46,473	46,473	46,473
Retained earnings		137,454	120,963	12,729	12,161
Foreign currency translation reserve		(6,254)	(7,344)	-	-
		177,673	160,092	59,202	58,634

1(b)(ii) Notes to the Statements of Financial Position

- 1) Property, plant & equipment increased by \$11.2m mainly due to the reclassification of investment properties. The Group has taken back two industrial properties in Oct and Nov 2014, and carried out alteration and addition works to expand production capacity for the Fabrication & Manufacturing business. The alteration and addition works will be due for completion in 1st half 2015.
- 2) Investment in associate increased by \$11.5m due to the share of profit of associate following the completion of our joint venture executive condominium project, Austville Residences, which obtained Temporary Occupation Permit (TOP) in 2nd Quarter 2014.
- 3) Inventories decreased by \$17.3m due to lower stock position in both Fabrication & Manufacturing business and Steel Merchandising business. Correspondingly, bills payable to banks and advance payment from customers also decreased but offset by increase in trade payables.
- 4) Trade receivables increased by \$13.8m due to increased credit sales for Fabrication & Manufacturing business and Steel Merchandising business.
- 5) Prepayments increased by \$5.4m due to increase in deposits paid for machinery.
- 6) Loans to associate reduced by \$5.6m due to partial repayment of loan and interest.

1(b)(iii) Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31.12.2014		As at 31.12.2013	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
125,134	-	170,926	-

Amount repayable after one year

As at 31.12.2014		As at 31.12.2013	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
17,412	-	24,903	-

Details of collateral

The Group's bills payable and bank term loan are secured by the following:

- (a) corporate guarantees given by the Company and certain subsidiaries to the banks;
- (b) letters of negative pledges on the assets of the Company and certain subsidiaries, with the exception of property, plant and equipment under hire purchase arrangements.
- (c) a deed of charge and assignment of inventories, charge over fixed deposits and floating charge over trade receivables.
- (d) the bank term loans are secured by legal mortgages over the Group's leasehold investment properties with net book value of \$2.0m (31.12.2013: \$2.1m) and property, plant and equipment with net book value of \$14.3m (31.12.2013: \$15.5m) as at 31 Dec 2014.

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS FOR FOURTH QUARTER AND FULL YEAR ENDED 31 DEC 2014

	Notes	4th Qtr ended 31 Dec		Full Year ended 31 Dec	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Operating activities					
Profit before tax		5,766	13,881	37,643	47,866
Adjustments for:					
Amortisation of club memberships		16	16	62	47
Depreciation of property, plant and equipment		2,656	1,898	10,055	6,827
Depreciation of investment properties		11	199	44	199
Property, plant and equipment written off		-	-	1	179
Gain on disposal of property, plant and equipment, net		-	(122)	(20)	(89)
Loss on disposal of club memberships		-	-	-	53
Gain on disposal of a subsidiary		-	(2,600)	-	(2,600)
Gain on disposal of unquoted equity investment		-	-	-	(233)
Interest expense		832	932	3,678	3,481
Interest income		(194)	(197)	(1,374)	(792)
Net fair value gain on forward exchange contracts		(412)	(1,156)	(187)	(347)
Foreign currency translation adjustments		765	53	724	556
Share of results of associate		(365)	7	(11,545)	(10)
Provision for onerous contracts		-	2,475	-	2,475
Operating cash flows before changes in working capital		9,075	15,386	39,081	57,612
(Increase)/decrease in:					
Inventories		41,801	4,093	17,328	(5,293)
Trade receivables		(5,266)	5,750	(13,827)	5,867
Other receivables, deposits and prepayments		(1,918)	10,844	(5,455)	3,290
Increase/(decrease) in:					
Trade payables		37,292	15,888	19,220	(28,485)
Other payables and accruals		(3,001)	(11,213)	(2,860)	(1,681)
Cash flows from operations		77,983	40,748	53,487	31,310
Interest paid		(832)	(932)	(3,678)	(3,481)
Interest received		194	197	1,374	792
Income taxes (paid) / refund		(931)	116	(7,596)	(4,936)
Net cash flows from operating activities	7	76,414	40,129	43,587	23,685
Investing activities					
Purchase of property, plant and equipment		(1,967)	(6,290)	(5,526)	(10,862)
Purchase of investment properties		-	(3,918)	-	(3,918)
Purchase of club memberships		-	-	-	(430)
Proceeds from disposal of club memberships		-	-	-	8
Proceeds from disposal of property, plant and equipment		8	206	135	476
Proceeds from disposal of unquoted equity investment		-	-	-	233
Proceeds from asset held for sale		-	4,327	-	4,327
(Increase)/decrease in loans to associate		(1)	(176)	5,566	1,396
Net cash flows (used in) / from investing activities	8	(1,960)	(5,851)	175	(8,770)
Financing activities					
Decrease in fixed deposits - pledged		1	3,260	-	12,243
(Decrease) / increase in bills payable to banks (secured)		(66,665)	(11,126)	(45,971)	31,649
Repayment of bank term loans		(842)	-	(3,370)	(551)
(Repayment of) / proceeds from hire purchase, net		(1,201)	(58)	(4,281)	6,629
Dividends paid on ordinary shares		(1,424)	(1,424)	(16,609)	(11,864)
Net cash flows (used in) / from financing activities	9	(70,131)	(9,348)	(70,231)	38,106
Net increase / (decrease) in cash and cash equivalents		4,323	24,930	(26,469)	53,021
Effect of exchange rate changes on cash and cash equivalents		191	77	347	439
Cash & cash equivalents at beginning of the year		84,083	89,712	114,719	61,259
Cash & cash equivalents at end of the year	10	88,597	114,719	88,597	114,719

1(c)(i) Notes to the Consolidated Statement of Cash Flows

- 7) Net cash flows from operating activities in 4th Quarter 2014 was \$76.4m, increased by \$36.3m from \$40.1m. For the full year ended 31 Dec 2014, net cash flows from operating activities was \$43.6m, increased by \$19.9m from \$23.7m. These were mainly due to decrease in inventories and increase in trade payables.
- 8) Net cash flows used in investing activities in 4th Quarter 2014 was \$2.0m, decreased by \$3.9m from \$5.9m. This was due to lower acquisition of plant and equipment, absence of acquisition of investment properties and absence of proceeds from asset held for sale. For the full year ended 31 Dec 2014, net cash flows from investing activities was \$0.2m compared to \$8.8m of net cash flows used in investing activities in previous year. This was mainly due to lower acquisition of plant and equipment, absence of acquisition of investment properties, absence of proceeds from asset held for sale and decrease in loans to associate.
- 9) Net cash flows used in financing activities in 4th Quarter 2014 increased by \$60.8m, from \$9.3m to \$70.1m, mainly due to decrease in bills payable to banks and repayment of hire purchase creditors and bank term loans. For the full year ended 31 Dec 2014, net cash flows used in financing activities was \$70.2m compared to \$38.1m of net cash flows from financing activities in previous year. This was mainly due to decrease in bills payable to banks, higher dividends payment to shareholders, repayment of hire purchase creditors and bank term loans.
- 10) Cash and cash equivalents as at 4th Quarter and Full Year ended 31 Dec comprised the following:-

	<u>2014</u>	<u>2013</u>
	\$'000	\$'000
Cash and bank balances	46,101	49,950
Fixed deposits	42,946	65,219
Less: Fixed deposits pledged	(450)	(450)
	<u>88,597</u>	<u>114,719</u>

Fixed deposits of \$0.5m (2013: \$0.5m) were pledged with banks to secure credit facilities for subsidiaries, are restricted in use and may not be withdrawn without the banks' prior approval.

1(d)(i) STATEMENTS OF CHANGES IN EQUITY

GROUP	Share Capital	Translation Reserve	Revenue Reserve	Total Equity
	\$'000	\$'000	\$'000	\$'000
Balance as at 01.01.2014	46,473	(7,344)	120,963	160,092
Changes in equity for the year:				
Total comprehensive income for the year	-	1,090	33,100	34,190
Dividends on ordinary shares	-	-	(16,609)	(16,609)
Balance as at 31.12.2014	<u>46,473</u>	<u>(6,254)</u>	<u>137,454</u>	<u>177,673</u>

Balance as at 01.01.2013	46,473	(8,358)	92,677	130,792
Changes in equity for the year:				
Total comprehensive income for the year	-	1,014	40,150	41,164
Dividends on ordinary shares	-	-	(11,864)	(11,864)
Balance as at 31.12.2013	<u>46,473</u>	<u>(7,344)</u>	<u>120,963</u>	<u>160,092</u>

COMPANY	Share Capital	Revenue Reserve	Total Equity
	\$'000	\$'000	\$'000
Balance as at 01.01.2014	46,473	12,161	58,634
Changes in equity for the year:			
Total comprehensive income for the year	-	17,177	17,177
Dividends on ordinary shares	-	(16,609)	(16,609)
Balance as at 31.12.2014	<u>46,473</u>	<u>12,729</u>	<u>59,202</u>

Balance as at 01.01.2013	46,473	9,215	55,688
Changes in equity for the year:			
Total comprehensive income for the year	-	14,810	14,810
Dividends on ordinary shares	-	(11,864)	(11,864)
Balance as at 31.12.2013	<u>46,473</u>	<u>12,161</u>	<u>58,634</u>

1(d)(ii) Changes in Share Capital

Share Capital	Number of shares	\$'000
<u>Ordinary share issued & fully paid</u>		
Balance as at 01.01.2014 & 31.12.2014	<u>474,551,093</u>	<u>46,473</u>

There was no movement in the issued and paid-up capital of the Company since 31 December 2013.

There were no outstanding convertibles as at 31.12.2014 (31.12.2013: Nil)

The Company has no treasury shares as at 31.12.2014 (31.12.2013: Nil)

2 Audit

The financial statements have not been audited nor reviewed by the company's auditor.

3 Auditor's Report

Not Applicable.

4 Accounting Policies

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the current financial year as with those in the most recently audited financial statements as at 31 December 2013.

5 Changes in Accounting Policies

In the current year, the Group has adopted all the new/revised Financial Reporting Standards which took effect for annual periods beginning on or after 1 January 2014. The adoption of the above FRS did not result in any substantial change to the Group's accounting policies.

6 Earnings per ordinary share of the group

	<u>4th Qtr ended 31 Dec</u>		<u>Full Year ended 31 Dec</u>	
	2014	2013	2014	2013
Earnings per ordinary share for the period based on net profit attributable to equity holders:-				
(a) On weighted average number of ordinary shares in issue	0.99cents	2.52cents	6.98cents	8.46cents
(b) On a fully diluted basis	0.99cents	2.52cents	6.98cents	8.46cents

Earnings per ordinary share on existing issued share capital is computed based on the weighted average number of ordinary shares issued during 4Q14 and 12M14 of 474,551,093 shares (4Q13 and 12M13: 474,551,093 shares).

There is no difference between the basic and diluted earnings per share.

7 Net asset value per ordinary share

	Group as at:		Company as at:	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Net asset value per share based on existing issued share capital as at end of the respective dates	37.44cents	33.74cents	12.48cents	12.36cents

Net asset value is computed based on the number of shares in issue as at 31 December 2014 & 31 December 2013 of 474,551,093 shares.

8 Performance Review

For 4th Quarter 2014, Group turnover decreased 4.3% to \$144.3m from \$150.9m in the corresponding quarter last year. The lower turnover was attributable to Steel Merchandising business which decreased 39.2% to \$34.8m from \$57.2m, but offset by Fabrication & Manufacturing business which increased 16.9% to \$109.5m from \$93.7m.

For the full year ended 31 Dec 2014, Group turnover decreased 18.3% to \$519.3m from \$635.9m in the corresponding period last year. The lower turnover was mainly attributable to Steel Merchandising business which decreased 45.7% to \$135.1m from \$248.9mm, and Fabrication & Manufacturing business which decreased 0.7% to \$384.2m from \$387.0m.

For 4th Quarter 2014 and full year ended 31 Dec 2014, the lower turnover in Steel Merchandising business was due to lower business volume and lower steel prices. Whereas, our Fabrication & Manufacturing business attained higher turnover on the back of higher business volume but offset by weaker steel prices.

For 4th Quarter 2014, Group gross profit margin as percentage of turnover remained the same as the corresponding quarter last year at 17.8%. For the full year ended 31 Dec 2014, Group gross profit margin was 17.8%, an improvement from 16.1% in the corresponding year ended 31 Dec 2013, due to higher contribution from Fabrication & Manufacturing business.

The Group continues to increase its production capacity in the Fabrication & Manufacturing business. As such, costs increase in the following areas:

- Employee benefits expense;
- Depreciation and amortisation;
- Insurance, freight and transportation;
- Rental and utilities;
- Repair and maintenance;
- Other operating expenses; and
- Financial expense

The Group's first joint venture executive condominium project, Austville Residences, obtained Temporary Occupation Permit (TOP) in 2nd Quarter 2014. Thus, the Group recognized its share of profit of associate of \$11.5m.

The Group's profit attributable to equity holders of the Company was \$4.7m in 4th Quarter 2014 and \$33.1m for full year ended 31 Dec 2014.

Cashflow

For the full year ended 31 Dec 2014, net cash flows from operating activities amounted to \$43.6m. This was mainly due to decrease in inventories and increase in trade payables. Net cash flows from investing activities amounted to \$0.2m. This was mainly due to lower acquisition of new plant and equipment, absence of acquisition of investment properties, absence of proceeds from asset held for sale, and decrease in loans to associate. With net cash flows used in financing activities of \$70.2m, cash and cash equivalents as at 31 Dec 2014 amounted to \$88.6m, down from \$114.7m as at 1 January 2014.

Balance Sheet

The Balance Sheet remained strong. The net asset value per share as at 31 Dec 2014 increased to 37.44 cents up from 33.74 cents as at 31 December 2013.

9 Variance from Prospect Statement

No variance from previous statement.

10 Prospect Statement

The prospect for our Steel Merchandising business remains subdued as our clients face rising domestic competition.

In Singapore, the Building and Construction Authority estimates that construction demand sector is expected to be worth between \$29 billion to \$36 billion in 2015. Public sector projects will be the key demand drivers for the construction sector. Competition and rising costs continue to exert pressure on the margin. Construction demand is expected to be sustained between \$27 billion to \$36 billion in 2016 and 2017. The strong construction demand reflects a continued and sustained level of workload for the industry, and augurs well for our Fabrication & Manufacturing business.

The Group is focused on expanding its value-added activities and improving productivity. We are carrying out addition and alteration works on the two industrial properties bought in Oct 2013, and we expect the new value-adding facilities to be operational in 2nd half 2015.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Interim paid on 24 June 2014	Interim paid on 16 September 2014	Interim paid on 12 December 2014
Dividend Type	Cash	Cash	Cash
Dividend Rate	0.20 cent per ordinary share	0.50 cent per ordinary share	0.30 cent per ordinary share
Tax Rate	One-tier tax exempt	One-tier tax exempt	One-tier tax exempt

Name of Dividend	Special payable on 22 May 2015	Final payable on 22 May 2015
Dividend Type	Cash	Cash
Dividend Rate	1.00 cent per ordinary share	1.00 cent per ordinary share
Tax Rate	One-tier tax exempt	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Interim paid on 24 June 2013	Interim paid on 16 September 2013	Interim paid on 13 December 2013
Dividend Type	Cash	Cash	Cash
Dividend Rate	0.20 cent per ordinary share	0.50 cent per ordinary share	0.30 cent per ordinary share
Tax Rate	One-tier tax exempt	One-tier tax exempt	One-tier tax exempt

Name of Dividend	Special paid on 23 May 2014	Final paid on 23 May 2014
Dividend Type	Cash	Cash
Dividend Rate	1.50 cent per ordinary share	1.00 cent per ordinary share
Tax Rate	One-tier tax exempt	One-tier tax exempt

(c) Date payable

22 May 2015.

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed on 30th April 2015 after 5.00 p.m. for the purpose of determining shareholders' entitlement to the Special and Final dividends.

Duly completed registrable transfers in respect of shares of the Company received by the Company's Share Registrar, KCK CorpServe Pte. Ltd., of 333 North Bridge Road KH Kea Building #08-00, Singapore 188721 up to 5.00 p.m. on 30th April 2015 will be registered to determine Members' entitlements to said Special and Final dividends. Members whose Securities Accounts with The Central Depository (Pte) Limited ("CDP") are credited with shares of the Company as at 5.00 p.m. on 30th April 2015 will be entitled to the said dividends. In this respect, the said dividends will be paid by the Company to CDP which will distribute the dividends to holders of the securities accounts.

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

Not applicable.

13 Interested Person Transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1,Q2,Q3 or Half Year Results)

14 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 immediately preceding year.

Business

The Group is organised into two main operating businesses, namely:

- Steel Merchandising
- Fabrication and Manufacturing

S\$'000	Full year ended 31 Dec 2014				Full year ended 31 Dec 2013			
	Steel Merchandising	Fabrication and Manufacturing	Adjustment and elimination	Total	Steel Merchandising	Fabrication and Manufacturing	Adjustment and elimination	Total
Turnover:								
External customers	135,029	384,241	-	519,270	248,854	387,000	-	635,854
Total Revenue	135,029	384,241	-	519,270	248,854	387,000	-	635,854
Results:								
Depreciation and amortisation	469	9,692	-	10,161	439	6,634	-	7,073
Share of results of associate	-	11,545	-	11,545	-	10	-	10
Other non-cash expenses	-	-	-	-	-	2,475	-	2,475
Segment profit	3,182	25,220	4,698	33,100	7,005	43,541	(10,396)	40,150
Assets:								
Investment in associates	-	11,983	-	11,983	-	437	-	437
Additions to non-current assets	407	9,497	-	9,904	2,791	31,326	-	34,117
Segment assets	73,935	267,587	54,929	396,451	96,515	256,678	65,654	418,848
Segment liabilities	19,023	50,734	149,021	218,778	15,473	37,926	205,357	258,756

Geographical Segments

Country	Turnover		Non-current assets	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Singapore	374,393	385,631	64,155	57,002
Asia	144,877	250,223	-	-
Total	519,270	635,854	64,155	57,002

15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

This is covered in paragraph 8 above.

16 A breakdown of sales.

	Group (\$'000)		
	2014	2013	Increase / (Decrease) %
Turnover reported for first half of the year	249,414	335,506	(25.7%)
Profit after tax reported for the first half of the year	23,360	18,815	24.2%
Turnover reported for second half of the year	269,856	300,348	(10.2%)
Profit after tax reported for the second half of the year	9,740	21,335	(54.3%)

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

	Latest Full	Previous Full
Interim Dividends	4,746	4,746
Special Dividend *	4,746	7,118
Final Dividend *	4,746	4,746
Total:	14,238	16,610

* For FY2014, Final and Special Dividends are computed based on the number of shares in issue as at 31 Dec 2014 of 474,551,093.

18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lee Lin Poey	56	Brother of Lee Heng Thiam, Lee Hock Seng, Lee Siew Khim and Lee Siew Choo.	Executive Chairman and Director of Lee Metal Group Ltd ("LMG") since December 1982.	No Change
Lee Heng Thiam	51	Brother of Lee Lin Poey, Lee Hock Seng, Lee Siew Khim and Lee Siew Choo.	Executive Director of LMG since January 1984 and Managing Director of LMG since March 2011.	No Change
Lee Hock Seng	61	Brother of Lee Lin Poey, Lee Heng Thiam, Lee Siew Khim and Lee Siew Choo.	Executive Director of wholly-owned subsidiary of LMG, Lee Welded Mesh Singapore Pte Ltd from April 2013.	No Change
Lee Siew Khim	53	Sister of Lee Lin Poey, Lee Heng Thiam, Lee Hock Seng and Lee Siew Choo.	Administration & Human Resource Manager of LMG since January 1984.	No Change
Lee Ren De	29	Nephew of Lee Lin Poey, Lee Heng Thiam, Lee Hock Seng, Lee Siew Khim and Lee Siew Choo.	Financial Controller of LMG from February 2014.	Appointed as Financial Controller of LMG in February 2014.

Note - Lee Lin Poey, Lee Heng Thiam, Lee Hock Seng, Lee Siew Khim and Lee Siew Choo are substantial shareholders of Lee Metal Group Ltd.

Lee Lin Poey and Lee Heng Thiam are also Executive Directors of Lee Metal Group Ltd.

BY ORDER OF THE BOARD

Foo Soon Soo
Company Secretary
23 February 2015