



KSH Holdings Limited

(Company Registration Number: 200603337G)
(Incorporated in the Republic of Singapore on 9 March 2006)

NEWS RELEASE

KSH HOLDINGS REPORTS 56% RISE IN NET PROFIT TO S\$4.3 MILLION FOR 1QFY2011

- Revenue increases by 21% to S\$72.4 million
- Strong order book of more than S\$312.0 million as at June 30, 2010
- Healthy balance sheet with cash and cash equivalents and fixed deposits of S\$90.0 million

	1QFY2010	1QFY2011	% Change
Revenue (S\$m)	60.0	72.4	21
Profit before tax (S\$m)	3.6	5.1	44
Net profit (S\$m)	2.7	4.3	56
Net Profit (Before MI) Attributable to Shareholders (S\$m)	2.7	4.2	54
EPS (Basic)(Singapore cents)*	1.49	1.44	(3)
NAV per share (Singapore cents)**	FY2010 36.88	1QFY2011 38.34	4

*EPS per share was computed based on a weighted average number of shares of 183,567,043 from 1QFY2010 and 294,261,552 for 1QFY2011

**Number of shares used for NAV per share computation was 294,009,700 for FY2010 and 294,563,200 for 1QFY2011

Singapore, August 10, 2010 – KSH Holdings Limited (“KSH Holdings” or the “Group”) (“KSH控股有限公司”), a well-established construction, property development and property management group, today announced a 56% rise in net profit to S\$4.3 million for the three months period ended June 30, 2010 (“1QFY2011”). Revenue rose by 21% to S\$72.4 million from S\$60.0 million in the three months period ended June 30, 2009 (“1QFY2010”).

Commented Mr Choo Chee Onn (“朱峙安”), Executive Chairman and Managing Director of KSH Holdings, “I am pleased to report an increase in revenue and net profit for the Group for this financial quarter. This serves as a testimony to the resilience of our business and the confidence that our business partners have in us. Our core construction business continues to display strong growth and in line with our business strategy, we will continue to build up a balanced portfolio of public and private sector projects.”

Performance Review

KSH’s core Construction segment remains as the Group’s strongest revenue contributor in 1QFY2011, contributing 98% of total Group revenue at S\$71.0 million. Revenue from the construction business increased by S\$12.3 million or approximately 21% to S\$71.0 million in 1QFY2011, as compared to S\$58.7 million in 1QFY2010. The increase was mainly due to revenue contributed from new projects and other ongoing projects that have progressed into advanced stages of construction.

Revenue from the Group’s Property Development and Management segment made up the remaining 2% of total revenue in 1QFY2011 at S\$1.4 million. Rental income from the Group’s investment properties and development property increased by approximately S\$0.1 million in 1QFY2011 as compared to the previous corresponding period.

In line with the increase in revenue, the Group's profit before tax increased by 44% or approximately S\$1.5 million from S\$3.6 million in 1QFY2010 to S\$5.1 million in 1QFY2011. As a result, the Group's net profit attributable to shareholders rose by a marked 54% from S\$2.7 million in 1QFY2010 to S\$4.2 million in 1QFY2011.

The Group's borrowings decreased by S\$7.3 million to S\$95.7 million as at June 30, 2010. This is attributed to the decrease in use of bills payable to banks, the repayment of finance lease obligations and bank term loans. As at June 30, 2010, the Group maintained a healthy balance sheet and working capital position, with cash and cash equivalents and fixed deposits of S\$90.0 million.

The Group's EPS and net asset value stood at 1.44 and 38.34 Singapore cents respectively, as at June 30, 2010.

Prospects and Growth Plans

The Building and Construction Authority ("BCA") reported that construction demand in Singapore from January to May 2010 was approximately S\$8.17 billion, with 59% or S\$4.84 billion from the private sector and the remaining 41% or S\$3.33 billion from the public sector. BCA projects construction demand for the year to range between S\$21 billion to S\$27 billion for 2010, and expects a sustained level of demand to continue through to 2012.

Riding on this uptrend, KSH will tap on these opportunities and further enhance its portfolio to maintain a good mix of projects in the public and private sectors for sustained growth in the business. At the same time, the Group will continue to tender for new construction projects to value add to its established track record in the business.

Mr Choo commented, "Going forward, backed by construction order books of more than S\$312.0 million as at June 30, 2010, we are cautiously optimistic on the outlook of our core construction business. We will remain focused on our strategy, which is to look out for viable opportunities to tender for construction projects, whilst exercising prudence and being mindful of the possible impacts of the uncertainties in economic conditions and rising costs that may have an effect on the performance of our business."

About KSH Holdings Limited

Listed on the Main Board of SGX-ST on February 8, 2007, KSH is a well-established Construction, Property Development and Property Management group. Incorporated in 1979, the Group has 31 years of experience in the Singapore construction industry and is backed by an impressive track record, both in Public and Private Sector construction projects. The Group is registered with the BCA with an A1 grading under the category CW01 for general building, which is currently the highest grade for contractors' registration in this category, and allows the Group to tender for Public Sector construction projects of unlimited value. The Group is also registered with an A2 grading under BCA's CW02 category for civil engineering, which allows it to tender for Public Sector projects for values of up to S\$85.0 million.

Recent contracts secured by the Group include a S\$70.6 million contract from Lippo Real Estate for the development of a luxury freehold condominium along Kim Seng Road, Centennia Suites, a S\$83.4 million contract from the National University of Singapore ("NUS") for the construction of two blocks of residential colleges and five blocks of common facility buildings for the NUS University Town, a S\$36.0 million contract for the construction of Watten Residences and a S\$40.3 million contract from NUS for the construction of a four-storey Education Resource Centre at the NUS University Town.

Besides acting as a main contractor for both the Public and Private Construction sectors in Singapore, and for the Private sector in Malaysia, KSH is also involved in Property Development and Property Management in the PRC as well as in Singapore (via a joint venture). The Group currently has completed two property developments in the PRC – Tianxing Riverfront Square in Tianjin (currently held as an investment property), and Liang Jing Ming Ju in Beijing, which are developed by its associated company, JHTD. The Group also has a property management arm, TTX Property Management, which manages Tianxing Riverfront Square.

More details can be found at www.kimsengheng.com

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