



KSH Holdings Limited

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

**UNAUDITED FULL YEAR FINANCIAL STATEMENTS &
DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED
31ST MARCH 2011**

- 1 (a) A statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

INCOME STATEMENT	THE GROUP		increase/ (decrease) %
	Year Ended		
	31.03.2011	31.03.2010	
	S\$'000	S\$'000	
REVENUE			
Project revenue	257,306	285,394	(10)
Rental income from investment properties	5,413	4,783	13
Rental income from development property	106	699	(85)
	262,825	290,876	(10)
Other income	5,961	3,227	85
Cost of construction	(220,952)	(252,078)	(12)
Personnel expenses	(8,603)	(7,941)	8
Depreciation of property, plant and equipment	(1,812)	(1,750)	4
Finance costs	(2,152)	(3,180)	(32)
Other operating expenses	(5,462)	(6,310)	(13)
	(238,981)	(271,259)	(12)
Profit from operations before share of results of associates	29,805	22,844	30
Share of results of associates	(545)	119	(558)
Profit before taxation	29,260	22,963	27
Tax expense	(6,687)	(4,672)	43
Net profit for the financial year	22,573	18,291	23
Net profit attributable to:			
- Owners of the Company	21,588	17,978	20
- Non-controlling interests	985	313	215
	22,573	18,291	23

(I) **Notes to the Income Statement**

The Group's profit before taxation is arrived at after crediting/(charging) the following:

	Year Ended		increase/ (decrease) %
	Year Ended		
	31.03.2011	31.03.2010	
	S\$'000	S\$'000	
Interest income	955	90	961
Write back of allowance for doubtful debts	-	544	(100)
Bad debts written off	-	(327)	(100)
Gain from fair value adjustments of investment properties	4,120	1,926	114
Amortisation of club membership	(2)	(3)	(33)
Amortisation of issuance costs on Convertible Notes	-	(182)	(100)
Loss on redemption of Convertible Notes	-	(487)	(100)
Write back of provision for diminution on structured deposits	82	28	193
Gain/(loss) on sale of property, plant and equipment	18	(18)	(200)
(Loss)/gain on sale of investment properties	(55)	80	(169)
Foreign exchange loss, net	(42)	(34)	24
Interest expense	(2,035)	(3,030)	(33)
Profit after taxation but before non-controlling interests as a percentage of turnover	8.59%	6.29%	37
Profit after taxation attributable to Owners of the Company as a percentage of the Group's Issued Capital and Reserves before non-controlling interests at 31 March 2011 and 31 March 2010	17.33%	16.58%	5

nm : not meaningful

(II) STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2011 AND 31 MARCH 2010

	THE GROUP Year Ended		increase/ (decrease) %
	31.03.2011 S\$'000	31.03.2010 S\$'000	
Net profit for the financial year	22,573	18,291	23
Other comprehensive income:			
- Foreign currency translation	(4,275)	(6,360)	(33)
Other comprehensive income for the financial year, net of tax	(4,275)	(6,360)	(33)
Total comprehensive income for the financial year	18,298	11,931	53
Total comprehensive income attributable to:			
- Owners of the Company	18,044	13,238	36
- Non-controlling interests	254	(1,307)	(119)
	18,298	11,931	53

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2011

1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	31.03.2011 S\$'000	31.03.2010 S\$'000	31.03.2011 S\$'000	31.03.2010 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	13,453	12,849	-	-
Investment in subsidiaries	-	-	57,516	57,516
Investment in associates	12,130	12,263	-	-
Investment properties	92,965	94,886	-	-
Loan due from associates	43,349	33,116	-	-
Amount due from a minority shareholder of a subsidiary (non-trade)	2,130	2,261	-	-
Amount due from subsidiaries (non-trade)	-	-	24,548	45,711
Trade receivables	4,248	7,014	-	-
Club membership	51	53	-	-
Other investment - quoted equity shares	1	1	-	-
	168,327	162,443	82,064	103,227
Current assets				
Development property	57,846	58,759	-	-
Trade receivables	28,569	27,026	-	-
Other receivables and deposits	2,089	1,766	-	1
Prepayments	608	936	79	82
Construction work-in-progress in excess of progress billings	10,841	9,757	-	-
Structured deposits	-	1,918	-	-
Fixed deposits	69,090	25,184	-	-
Cash and cash equivalents	22,367	68,990	314	902
	191,410	194,336	393	985
LIABILITIES				
Current liabilities				
Trade payables	23,015	19,525	-	-
Other payables and accruals	73,677	68,341	1,839	1,757
Amount due to a Director of a subsidiary	287	319	-	-
Amount due to subsidiaries (non-trade)	-	-	18,000	22,001
Finance lease obligations	1,387	2,265	-	-
Provision for income tax	5,269	4,690	-	-
Progress billings in excess of construction work-in-progress	1,837	13,417	-	-
Bank term loans, secured	3,291	1,638	-	-
Bills payable to banks, secured	35,719	39,787	-	-
	144,482	149,982	19,839	23,758
Net current assets/(liabilities)	46,928	44,354	(19,446)	(22,773)
Non-current liabilities				
Trade payables	2,431	6,498	-	-
Other payables and accruals	141	142	-	-
Amount due to subsidiaries (non-trade)	-	-	2,430	37,704
Finance lease obligations	582	1,947	-	-
Bank term loans, secured	53,487	57,353	-	-
Deferred tax liabilities	14,824	13,217	-	-
	71,465	79,157	2,430	37,704
NET ASSETS	143,790	127,640	60,188	42,750
EQUITY				
Equity attributable to Owners of the Company				
Share capital	38,543	33,732	38,543	33,732
Translation reserve	(1,914)	1,630	-	-
Accumulated profits	86,157	71,430	20,131	7,504
Other reserves	1,801	1,636	1,514	1,514
	124,587	108,428	60,188	42,750
Non-controlling interests	19,203	19,212	-	-
TOTAL EQUITY	143,790	127,640	60,188	42,750

GROUP'S BORROWINGS AND DEBT SECURITIES

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

Amount repayable in one year or less, or on demand			
As at 31.03.2011		As at 31.03.2010	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
40,397	-	43,690	-

Amount repayable after one year			
As at 31.03.2011		As at 31.03.2010	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
54,069	-	59,300	-

Details of any collateral:

The Group's borrowings are secured by way of:

- 1) Assignment of progress payments from the developer for certain on-going construction projects;
- 2) Letters of assignment of certain progress payments and retention monies due to the Group;
- 3) Corporate guarantees issued by the Company;
- 4) First legal mortgage on the Group's investment properties and leasehold factory building;
- 5) Charge on fixed deposits and structured deposits;
- 6) First charge over the contract proceeds/project account arising from the construction project financed;
- 7) A first legal mortgage over the development property of a joint venture;
- 8) Legal assignment of sales proceeds from the development property of a joint venture;
- 9) Legal assignment of tenancy, rental, lease and licence agreements from development property of a joint venture;
- 10) Legal assignment of the construction contract(s) and performance bonds from development property of a joint venture;
- 11) Legal assignment of fire insurance policy from development property of a joint venture;
- 12) Corporate guarantees from all the shareholders of a joint venture in equal share ratio; and
- 13) Debenture over all present and future assets of a joint venture.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	THE GROUP	
	Year Ended	
	31.03.2011	31.03.2010
	S\$'000	S\$'000
Operating activities		
Profit before taxation	29,260	22,963
Adjustments:		
Depreciation of property, plant and equipment	1,812	1,750
Amortisation of club membership	2	3
Amortisation of issuance costs on Convertible Notes	-	182
Loss on redemption of Convertible Notes	-	487
(Gain)/loss on sale of property, plant and equipment	(18)	18
Loss/(gain) on sale of investment property	55	(80)
Gain from fair value adjustments of investment properties	(4,120)	(1,926)
Write back of provision for diminution on structured deposits	(82)	(28)
Write back of allowance for doubtful debts	-	(544)
Bad debts written off	-	327
Interest expense	2,035	3,030
Interest income	(955)	(90)
Share of results of associates	545	(119)
Operating cash flows before changes in working capital	28,534	25,973
Decrease/(increase) in:		
Development property	913	5,951
Trade and other receivables, deposits and prepayments	993	1,877
Work-in-progress, net	(12,664)	48
Increase in:		
Trade and other payables	4,786	23,342
Cash flows generated from operations	22,562	57,191
Income taxes paid	(3,742)	(4,096)
Interest income received	955	90
Exchange differences	583	441
Net cash flows generated from operating activities	20,358	53,626
Investing activities		
Purchase of property, plant and equipment	(2,432)	(1,390)
Proceeds from sale of plant and equipment	25	10
Proceeds from sale of investment property	666	1,246
Investment in associates	(1,020)	(4,709)
Net cash flows used in investing activities	(2,761)	(4,843)
Financing activities		
Dividends paid	(6,959)	(8,661)
Issuance of warrants	-	1,514
Issuance of new shares	4,811	11,776
Loan due from associates	(10,021)	(17,380)
Repayment of bank term loans	(1,625)	(1,812)
Payment for redemption of Convertible Notes	-	(20,010)
Proceeds from bills payable to banks	-	23,990
Repayment of bills payable to banks	(4,068)	-
Interest paid	(2,035)	(2,301)
Proceeds from lease obligations	37	-
Repayment of lease obligations	(2,280)	(2,031)
Decrease in structured deposits	2,000	-
(Increase)/decrease in pledged fixed deposits	(4,033)	703
Net cash flows used in financing activities	(24,173)	(14,212)
Net (decrease)/increase in cash and cash equivalents	(6,576)	34,571
Effect of exchange rate changes on cash and cash equivalents	(174)	(94)
Cash and cash equivalents at beginning of financial year	83,284	48,807
Cash and cash equivalents at end of financial year (Note A)	76,534	83,284

Note A: Cash and cash equivalents at end of financial year comprise:

	31.03.2011	31.03.2010
	S\$'000	S\$'000
Cash and bank balances	22,367	68,990
Fixed deposits	69,090	25,184
	91,457	94,174
Less: Pledged fixed deposits	(14,923)	(10,890)
Cash and cash equivalents	76,534	83,284

STATEMENTS OF CHANGES IN EQUITY

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.

THE GROUP	Attributable to Owners of the Company				Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Translation reserve S\$'000	Accumulated profits S\$'000	Other reserves S\$'000		
At 1 April 2009	21,956	6,370	62,190	45	20,519	111,080
Net profit for the financial year	-	-	17,978	-	313	18,291
Other comprehensive income for the financial year	-	(4,740)	(77)	77	(1,620)	(6,360)
Total comprehensive income for the financial year	-	(4,740)	17,901	77	(1,307)	11,931
Proceeds from the issue of warrants	-	-	-	1,514	-	1,514
Conversion to shares by warrant holders	11,776	-	-	-	-	11,776
Dividends relating to FY2009 (final & special) and FY2010 (interim) paid	-	-	(8,661)	-	-	(8,661)
At 31 March 2010	33,732	1,630	71,430	1,636	19,212	127,640
At 1 April 2010	33,732	1,630	71,430	1,636	19,212	127,640
Net profit for the financial year	-	-	21,588	-	985	22,573
Other comprehensive income for the financial year	-	(3,544)	(165)	165	(731)	(4,275)
Total comprehensive income for the financial year	-	(3,544)	21,423	165	254	18,298
Conversion to shares by warrant holders	4,811	-	-	-	-	4,811
Dividends relating to FY2010 (final) and FY2011 (interim) paid	-	-	(6,696)	-	-	(6,696)
Dividend paid to non-controlling interests	-	-	-	-	(263)	(263)
At 31 March 2011	38,543	(1,914)	86,157	1,801	19,203	143,790

STATEMENTS OF CHANGES IN EQUITY

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.

	Share capital S\$'000	Accumulated profits S\$'000	Other reserves S\$'000	Total equity S\$'000
THE COMPANY				
At 1 April 2009	21,956	5,854	-	27,810
Net profit for the financial year	-	10,311	-	10,311
Other comprehensive income for the financial year	-	-	-	-
Total comprehensive income for the financial year	-	10,311	-	10,311
Proceeds from the issue of warrants	-	-	1,514	1,514
Conversion to shares by warrant holders	11,776	-	-	11,776
Dividends relating to FY2009 (final & special) and FY2010 (interim) paid	-	(8,661)	-	(8,661)
At 31 March 2010	33,732	7,504	1,514	42,750
At 1 April 2010	33,732	7,504	1,514	42,750
Net profit for the financial year	-	19,323	-	19,323
Other comprehensive income for the financial year	-	-	-	-
Total comprehensive income for the financial year	-	19,323	-	19,323
Conversion to shares by warrant holders	4,811	-	-	4,811
Dividends relating to FY2010 (final) and FY2011 (interim) paid	-	(6,696)	-	(6,696)
At 31 March 2011	38,543	20,131	1,514	60,188

SHARE CAPITAL

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issues, 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.

During the financial year FY2008, the Company issued S\$25,000,000 of 1% coupon Unconditional Unsubordinated Unsecured Convertible Notes due 2011 (the "Notes"). The Notes are convertible into ordinary shares of the Company and the conversion price was originally set at \$1.50 and subsequently adjusted to \$0.75 (the "Adjusted Conversion Price"), following the sub-division of ordinary shares.

The Adjusted Conversion Price was reset with effect 18 October 2008 to S\$0.595 from S\$0.75 as the average of the closing price of the ordinary shares of the Company for the 20 consecutive market days ending 12 months after the issue of the Notes is less than the Adjusted Conversion Price, subject to the reset Adjusted Conversion Price not being less than \$0.595.

On 17 November 2008, the Company has made a partial redemption of S\$5 million in principal amount of the Convertible Notes which were then duly cancelled. The remaining aggregate principal amount of the Convertible Notes as at 31 March 2009 was S\$20 million.

On 15 April 2009, the Company has made a partial redemption of S\$10 million in principal amount of the Convertible Notes for a cash consideration of S\$9.7 million and these Convertible Notes were then duly cancelled.

On 22 June 2009, the Company has made a full redemption of the remaining S\$10 million in principal amount of the Convertible Notes for a cash consideration of S\$10.21 million and were then duly cancelled.

None of the Convertible Notes have been converted into ordinary shares of the Company and all the Convertible Notes have been redeemed and cancelled as at 31 March 2010.

On 3 April 2009, the Company issued 176,245,000 warrants at an issue price of S\$0.01 for each warrant. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Group at an exercise price of S\$0.10 for each new share on the basis of one warrant for every one existing ordinary share in the capital of the Company. The exercise price and the number of warrants held by each warrant holder may be adjusted under certain terms and conditions being met. The warrants expire on 2 April 2012. As at 31 March 2011, 165,874,468 warrants were converted to 165,874,468 new shares of the Company bringing total issued capital to 342,119,468 shares. Upon full conversion, the number of issued shares will increase to 352,490,000.

The Company does not hold any treasury shares up to the date of this announcement.

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.

	<u>Number of shares</u>
Balance as at 1 April 2009	
- Ordinary Shares	176,245,000
- Warrants (Total number of warrants been subscribed & allotted on 3 April 2009)	176,245,000
Issue of new shares upon exercising of warrants during the financial year ended 31 March 2010 (FY 2010)	
- Ordinary Shares	117,764,700
- Warrants	(117,764,700)
Balance as at 31 March 2010 and 1 April 2010	
- Ordinary Shares	294,009,700
- Warrants	58,480,300
Issue of new shares upon exercising of warrants during the 1st quarter FY2011	
- Ordinary Shares	553,500
- Warrants	(553,500)
Balance as at 30 June 2010	
- Ordinary Shares	294,563,200
- Warrants	57,926,800
Issue of new shares upon exercising of warrants during the 2nd quarter FY2011	
- Ordinary Shares	33,119,812
- Warrants	(33,119,812)
Balance as at 30 September 2010	
- Ordinary Shares	327,683,012
- Warrants	24,806,988
Issue of new shares upon exercising of warrants during the 3rd quarter 2011	
- Ordinary Shares	14,391,156
- Warrants	(14,391,156)
Balance as at 31 December 2010	
- Ordinary Shares	342,074,168
- Warrants	10,415,832
Issue of new shares upon exercising of warrants during the 4th quarter 2011	
- Ordinary Shares	45,300
- Warrants	(45,300)
Balance as at 31 March 2011	
- Ordinary Shares	342,119,468
- Warrants	10,370,532

SHARE CAPITAL

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial year reported on.

Not applicable.

AUDIT

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 by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

ACCOUNTING POLICIES

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 financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in the most recently audited financial year ended 31 March 2010.

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 adoption of the new/revised FRS and INT FRS is currently assessed to have no significant impact on the financial position and the results of the current year and prior year of the Group.

EARNINGS PER SHARE

6 Earnings per ordinary share of the Group for the current year reported on and the corresponding year of the immediately preceding financial year, after deducting any provision for preference dividend.

	THE GROUP	
	Year Ended	Year Ended
	31.03.2011	31.03.2010
	(cents)	(re-stated) (cents)
a) On a basic basis	6.72	7.05
b) On a fully diluted basis	6.59	6.18
	S\$'000	S\$'000
Group's profit for the financial year attributable to Owners of the Company used in the computation of basic EPS	21,588	17,978
Group's adjusted profit for the financial year attributable to Owners of the Company used in the computation of diluted EPS	21,588	17,978
Weighted average number of ordinary shares for computing basic EPS	321,037,590	255,073,635
Effect of dilution from warrants	6,363,286	35,646,343
Weighted average number of ordinary shares for computing diluted EPS	327,400,876	290,719,978

Basic earnings per share ("EPS") amounts are calculated by dividing the Group's profit after taxation attributable to Owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted EPS amounts are calculated by dividing the Group's profit after taxation attributable to Owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

NET ASSET VALUE PER SHARE

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 year reported on; and
(b) immediately preceding financial year.

	THE GROUP		THE COMPANY	
	as at	as at	as at	as at
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Net asset value per ordinary share (cents)	36.42	36.88	17.59	14.54
Issue share capital at the end of the year	342,119,468	294,009,700	342,119,468	294,009,700

REVIEW OF THE PERFORMANCE OF THE GROUP

- 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 period reported on.

INCOME STATEMENT

FY2011 vs FY2010

Revenue

The Group has total revenue of S\$262.8 million for the financial year ended 31 March 2011 ("FY2011"), a decrease of 9.7% compared to S\$290.9 million in the corresponding financial year ended 31 March 2010 ("FY2010"). The decrease was mainly due to the decrease in revenue from construction business.

Revenue from the construction business decreased by S\$28.1 million or approximately 9.8% from S\$285.4 million in FY2010 to S\$257.3 million in FY2011. The decrease was partially offset by the increase in revenue from one completed project of approximately S\$5.6 million, on-going projects of approximately S\$87.7 million which have progressed into more advanced stages of construction and new projects of approximately S\$8.9 million.

Rental income from investment properties has increased approximately S\$0.6 million in FY2011 as compared to FY2010, offset by the decrease in rental income from development property of approximately S\$0.6 million in FY2011 as compared to FY2010.

Other income

The increase in other income of approximately S\$2.8 million from S\$3.2 million in FY2010 to S\$6.0 million in FY2011 was mainly from the increase in gain from fair value adjustments of investment properties of approximately S\$2.2 million and increase in interest income from associates.

Operating expenses

Cost of construction decreased by approximately S\$31.1 million or 12.3% from S\$252.1 million in FY2010 to S\$221.0 million in FY2011 in line with the decrease in revenue. The decrease was also due to the cost saving of a completed project, partially offset by rising cost and lower pricing from the later projects awarded as the competition in the industry become more intense.

Personnel expenses increased by approximately S\$0.7 million or 8.9% from S\$7.9 million in FY2010 to S\$8.6 million in FY2011. The increase was mainly due to increase in provision for bonuses in line with the increase in profit as well as increase in expenses such as training, insurance for staffs and workers and workers' accommodations.

Finance costs decreased as all outstanding Convertible Notes were redeemed for cancellation by 22 June 2009 and no further interest on Convertible Notes were incurred in FY2011 as compared to S\$0.8 million in FY2010 as well as the decrease in the borrowings in FY2011.

Other operating expenses decreased by approximately S\$0.8 million or 12.7% from S\$6.3 million in FY2010 to S\$5.5 million in FY2011. The decrease was mainly due to decrease of expenses related to Convertible Notes of approximately S\$0.7 million in FY2010 but none in FY2011 and the reversal of provision for anticipated losses of approximately S\$0.2 million for a on-going construction project as provision for anticipated loss has been realised as cost of construction during FY2011.

There were no significant difference in depreciation between FY2010 and FY2011.

Profit before taxation

Share of results of associates decreased by approximately S\$0.6 million from a profit of S\$0.1 million in FY2010 to a loss of S\$0.5 million in FY2011 due to an associate ceased to collect rental income from a development property since June 2010 as redevelopment was about to commence.

The Group's profit before taxation increased by approximately S\$6.3 million from S\$23.0 million in FY2010 to S\$29.3 million in FY2011 as explained above.

Tax expense

Tax expense increased in FY2011 as compared to FY2010 due to the higher profit before taxation offset by the reversal of a provision for taxation of S\$0.5 million in FY2011 as it was no longer required as per the finalised tax assessment from The Comptroller of Income Tax.

Net profit attributable to Owners of the Company

As a result of the above, the Group made a net profit attributable to Owners of the Company of approximately S\$21.6 million in FY2011 as compared to S\$18.0 million in FY2010.

STATEMENTS OF FINANCIAL POSITION

Non-current assets

The decrease of approximately S\$1.9 million in investment properties from S\$94.9 million as at 31 March 2010 ("FY2010") to S\$93.0 million as at 31 March 2011 ("FY2011") was mainly due to sale and translation difference in RMB exchange rate used on the investment property in Tianjin, the People's Republic of China offset by the gain from fair value adjustments during FY2011. Loan due from associates increased by approximately S\$10.2 million mainly due to additional loans to finance property development projects. Trade receivables under non-current assets decreased by approximately S\$2.8 million from S\$7.0 million in FY2010 to S\$4.2 million in FY2011, mainly due to the reduction in retention sum receivables from completed construction projects.

REVIEW OF THE PERFORMANCE OF THE GROUP

STATEMENTS OF FINANCIAL POSITION

Development property

Development property decreased approximately by S\$1.0 million from S\$58.8 million in FY2010 to S\$57.8 million in FY2011 as the increase in progress billings from sales was more than the increase in cost incurred for the development during FY2011.

Trade receivables

Trade receivables under current assets increased by approximately S\$1.6 million from S\$27.0 million in FY2010 to S\$28.6 million in FY2011, was mainly due to the increase in retention sum and unbilled receivables from the increased number of completed projects during FY2011.

Structured deposits

Structured deposits of S\$1.9 million had matured during FY2011.

Construction work-in-progress

Construction work-in-progress in excess of progress billings increased by S\$1.0 million from S\$9.8 million in FY2010 to S\$10.8 million in FY2011 mainly from new projects which cost incurred were higher as compared to work done certified during the early stage of construction.

Progress billings in excess of construction work-in-progress decreased by S\$11.6 million from S\$13.4 million in FY2010 to S\$1.8 million in FY2011. The decrease was mainly due to lesser projects with progress work done certified that was higher than cost incurred during FY2011 as compared to FY2010.

Trade payables

Trade payables under current liabilities increased by S\$3.5 million from S\$19.5 million in FY2010 to S\$23.0 million in FY2011. The increase was mainly from the increase in retention sum withheld from suppliers and subcontractors for construction projects which will be due for release of payments in the next 12 months.

Trade payables under non-current liabilities decreased by S\$4.1 million from S\$6.5 million in FY2010 to S\$2.4 million in FY2011 as some of the retention sum withheld from suppliers and subcontractors for construction projects will be due for release of payments in the next 12 months were reclassified under current liabilities.

Other payables and accruals

Other payables and accruals increased by S\$5.4 million from S\$68.3 million in FY2010 to S\$73.7 million in FY2011, mainly due to the accruals made for the completed projects which works done have not yet been claimed by sub-contractors as at end of FY2011.

Total borrowings

Total borrowings decreased by S\$8.5 million from S\$103.0 million in FY2010 to S\$94.5 million in FY2011 mainly due to the decrease in use of bills payable to banks of S\$4.1 million; the repayment of finance lease obligations of S\$2.3 million and bank term loans of S\$1.6 million.

STATEMENT OF CASH FLOWS

FY2011 vs FY2010

Net cash flows generated from operating activities in FY2011 decreased by S\$33.2 million to S\$20.4 million from S\$53.6 million in FY2010 despite of operating cash flows before changes in working capital has increased by S\$2.5 million. This was mainly due to S\$6.0 million increase in working capital in FY2011 as compared to the S\$31.2 million decrease in working capital in FY2010.

Net cash flows used in investing activities decreased by S\$2.0 million during FY2011 as compared to FY2010 mainly due to decrease in investment made in associates during FY2011 as compared to FY2010 of approximately of S\$3.7 million, offset by the increase in purchase of property, plant and equipment of S\$1.0 million in FY2011 as compared to FY2010.

The net cash flows used in financing activities increased by approximately S\$10.0 million in FY2011 as compared to FY2010, mainly due to lesser proceeds collected from issuance of warrants and new shares and new borrowings in FY2011, although there were lesser payment made on borrowings in FY2011 as compared to FY2010.

REVIEW OF THE PERFORMANCE OF THE GROUP

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

There was no forecast or any prospect statement 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.

The Singapore economy grew by 8.3% in the first quarter of 2011. The expansion was broad-based across all sectors with the construction sector registered a positive growth of 2.4%. The Ministry of Trade and Industry expects the economy to grow by 5.0% to 7.0% in 2011.

The Building and Construction Authority (BCA) has projected a positive outlook of the construction industry over the medium-term in view of the anticipated strong expansion in public sector construction demand and also expected continual demand from the private sector as the economy continues to strengthen.

Nevertheless, the Group remains cautious on the possible impacts that the uncertainties in the global and domestic economic conditions, more intense competition in the construction industry, government's policies and measures on the construction and properties related industries and the inflationary pressure on business operation.

Currently, the Group has an order book on construction projects of approximately S\$245 million with projects from both the public and private sectors.

In view of the above, the Group is cautiously optimistic on the outlook of its construction business in Singapore.

DIVIDENDS

The Directors are pleased to announce that a final dividend of 1.0 cent per share has been recommended for the year ended 31 March 2011. With the recommended final ordinary dividend of 1.0 cent per share in addition to the interim ordinary dividend of 1.0 cent per share already paid on 8 December 2010, the total dividend for the year ended 31 March 2011, will then be 2.0 cents per share. The recommended dividend takes into consideration the Group's FY2011 profit after taxation, present cash position and positive cash flow generated from operations. Payment of the final dividend is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting.

The Directors propose to adopt the KSH Holdings Limited Scrip Dividend Scheme (the "**Scrip Dividend Scheme**") and intends to implement the Scrip Dividend Scheme for the financial year ended 31 March 2011, subject to receipt of the requisite regulatory approvals. The Scrip Dividend Scheme would provide shareholders with the option to elect for their distributions in respect of a qualifying dividend (the "**Qualifying Dividend**") to which the Scrip Dividend Scheme applies, to be paid as follows:

- (a) to receive his entitlement to the Qualifying Dividend in cash; or
- (b) for an allotment of new shares (the "**New Shares**") in the Company (credited as fully paid up) in lieu of the cash amount of his entitlement to the Qualifying Dividend.

Further details of the Scrip Dividend Scheme will be provided in a separate announcement to be released by the Company in due course.

The price at which each New Share is to be issued will be at a discount of no more than 10% and will not exceed the average of the last dealt prices of the shares of the Company (the "**Shares**") for each market day commencing from the day on which the Shares are first quoted ex-dividend on Singapore Exchange Securities Trading Limited (the "**SGX-ST**") after the announcement of the relevant Qualifying Dividend and ending on the relevant dividend books closure date in respect of such Qualifying Dividend (the "**Price Determination Period**"). In the event that there is no trading in the Shares during the Price Determination Period, the issue price of a New Share shall not exceed the average of the last dealt prices of the Shares on the SGX-ST for each of the market days during a period to be determined by the Directors prior to the announcement of the application of the Scrip Dividend Scheme to such Qualifying Dividend. Accordingly, it will not be possible to determine the exact number of New Shares to which shareholders will be entitled until after the close of business on the relevant dividend books closure date. A separate announcement will be released at each relevant time by the Company setting out the issue price of a New Share to be used in the computation of shareholders' entitlement in respect of a Qualifying Dividend.

The proposed Scrip Dividend Scheme is subject to shareholder's approval at the forthcoming Extraordinary General Meeting (the "**EGM**") to be duly convened. Subject to receipt of the requisite regulatory approvals and approval at the EGM, the Scrip Dividend Scheme will be applicable to this final dividend declared.

REVIEW OF THE PERFORMANCE OF THE GROUP

DIVIDENDS

11 (a) Current financial period reported on

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

Name of Dividend Dividend Type Dividend Rate	(Tax Exempt 1-Tier)		
	Interim Ordinary Cash	Final Ordinary Cash or scrip	Total Cash or scrip
	1.0 cent per ordinary share	1.0 cent per ordinary share	2.0 cents per ordinary share

(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 Dividend Type Dividend Rate	(Tax Exempt 1-Tier)		
	Interim Ordinary Cash	Final Ordinary Cash	Total Cash
	1.0 cent per ordinary share	1.0 cent per ordinary share	2.0 cents per ordinary share

(c) Date payable

The proposed final dividend, if so approved by the members, will be paid on a date to be determined after the requisite approvals have been obtained. Such date will be provided in a separate announcement to be released by the Company in due course.

(d) Books closure date

The Notice on the closure date of the Transfer Books and the Register of Members of the Company will be provided in a separate announcement to be released by the Company in due course.

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

Not applicable.

- 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.

Business segments

FY2011

THE GROUP

	Construction	Property development and management	Others	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
REVENUE					
- external sales	257,307	5,518	-	-	<u>262,825</u>
Segment results	29,875	4,499	(3,372)	-	31,002
Share of results of associates	-	(596)	51	-	(545)
Interest income	65	34	856	-	955
Finance costs	(1,609)	(541)	(2)	-	<u>(2,152)</u>
Profit/(loss) before taxation	28,331	3,396	(2,467)	-	29,260
Tax expense					(6,687)
Non-controlling interests					(985)
Net profit attributable to Owners of the Company					<u>21,588</u>
Segment assets	216,891	162,798	139,570	(171,652)	347,607
Investment in associates	-	-	12,130	-	12,130
Total assets					<u>359,737</u>
Segment liabilities	110,975	45,285	73,343	(128,215)	101,388
Bank borrowings	41,254	51,243	-	-	92,497
Unallocated liabilities					22,062
Total liabilities					<u>215,947</u>
Other segment information :					
Capital expenditures	814	30	1,588	-	2,432
Depreciation of property, plant and equipment	1,762	39	11	-	1,812
<u>FY2010</u>					
REVENUE					
- external sales	285,394	5,482	-	-	<u>290,876</u>
Segment results	27,423	2,464	(3,953)	-	25,934
Share of results of associates	-	138	(19)	-	119
Interest income	63	20	7	-	90
Finance costs	(1,802)	(622)	(756)	-	<u>(3,180)</u>
Profit/(loss) before taxation	25,684	2,000	(4,721)	-	22,963
Tax expense					(4,672)
Non-controlling interests					(313)
Net profit attributable to Owners of the Company					<u>17,978</u>
Segment assets	211,917	158,283	103,013	(128,697)	344,516
Investment in associates	-	7,144	5,119	-	12,263
Total assets					<u>356,779</u>
Segment liabilities	105,613	46,750	62,252	(106,372)	108,243
Bank borrowings	46,754	52,024	-	-	98,778
Unallocated liabilities					22,118
Total liabilities					<u>229,139</u>
Other segment information :					
Capital expenditures	2,825	53	-	-	2,878
Depreciation of property, plant and equipment	1,706	44	-	-	1,750

Geographical segments

	THE GROUP				
	Singapore	Malaysia	The People's Republic of China	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FY2011					
REVENUE	257,564	-	5,261	-	262,825
Segment assets	273,709	597	89,279	(15,978)	347,607
Investment in associates	1,995	-	10,135	-	12,130
Total assets					359,737
Other segment information :					
Capital expenditures	2,402	-	30	-	2,432
FY2010					
REVENUE	285,543	702	4,631	-	290,876
Segment assets	267,018	1,290	91,382	(15,174)	344,516
Investment in associates	1,131	-	11,132	-	12,263
Total assets					356,779
Other segment information :					
Capital expenditures	2,825	-	53	-	2,878

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.

Turnover

by Business segments

Turnover contributed by construction business decreased by S\$28.1 million in FY2011 as compared to FY2010 as the increase in work done from new projects commenced in FY2011 and existing projects on hand as at the end of FY2011 carried from prior years were lesser than the decrease in work done from projects completed before the beginning of FY2011.

by Geographical segments

Majority of the Group's turnover was from construction business in Singapore, as such turnover contributed by Singapore decreased by S\$27.9 million in FY 2011 as compared to FY2010.

Profit Before Taxation

by Business segments

Profit before taxation from construction business increased by S\$2.6 million in FY2011 as compared to FY2010 despite of revenue had decreased. This is mainly because the gross margin from work done in FY2011 from projects was higher as compared to that of FY2010 due to the cost saving of a completed project, partially offset by rising cost and lower pricing from the later projects awarded as the competition in the industry become more intense.

Profit before taxation from property development and management increased by S\$1.4 million from S\$2.0 million in FY2010 to S\$3.4 million mainly due to the improvement in fair value adjustments on investment properties.

15 A breakdown of sales as follows:

	THE GROUP		
	31.03.2011	31.03.2010	% increase/(decrease)
	S\$'000	S\$'000	
Sales reported for first half year	144,116	124,869	15
Operating profit after taxation before deducting non-controlling interests reported for the first half year	8,508	10,075	(16)
Sales reported for second half year	118,709	166,007	(28)
Operating profit after taxation before deducting non-controlling interests reported for the second half year	14,065	8,216	71
Total Sales	262,825	290,876	(10)
Operating profit after taxation before deducting non-controlling interests reported for full year	22,573	18,291	23

16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous year as follows:

	31.03.2011	31.03.2010
	S\$'000	S\$'000
Ordinary	3,420	2,932
Final	-	3,276
Total :	3,420	6,208

By Order of the Board

Choo Chee Onn
Executive Chairman and Managing Director

23rd May 2011