



KSH Holdings Limited

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

KSH HOLDINGS NET PROFIT UP 26.1% TO S\$5.3 MILLION IN 2QFY2012

- **Strong order book of approximately S\$377.0 million as at September 30, 2011**
- **Proposes interim, tax-exempt dividend of 1.0 cent per ordinary share**
- **Healthy balance sheet with cash and cash equivalents and fixed deposits of S\$50.3 million**

S\$'million	2QFY2012	2QFY2011	% Change	1HFY2012	1HFY2011	% Change
Revenue	54.4	71.7	(24.2)	95.1	144.1	(34.0)
Profit from operations before share of results of associates	7.5	5.2	45.0	11.8	10.4	13.5
Profit before taxation	6.8	5.1	33.1	10.2	10.2	-
Profit after taxation	5.3	4.2	26.1	8.0	8.5	(5.8)
Net Profit attributable to Owners of the Company	5.2	4.2	24.1	7.8	8.4	(7.4)

Singapore, November 4, 2011 – **KSH Holdings Limited** (“KSH Holdings” or the “Group”) (“金成兴控股有限公司”), a well-established construction, property development and property management group, today announced a 26.1% increase in profit after taxation to S\$5.3 million on the back of a revenue of S\$54.4 million for the second quarter ended September 30, 2011 (“2QFY2012”).

Commented Mr Choo Chee Onn (“朱峙安”), Executive Chairman and Managing Director of KSH Holdings, “The construction and property environment remains challenging but I am pleased to report that the Group has achieved an improvement in bottom-line performance. Going forward, we will continue to build up a balanced portfolio of public and private sector construction and property development projects. With our healthy fundamentals and strong track record, KSH is ready to take on opportunities that the sector offers.”

Performance Review

In 2QFY2012, the Group’s revenue dipped 24.2% from S\$71.7 million in 2QFY2011 to S\$54.4 million, mainly due to a decrease in the Construction segment earnings to S\$33.3 million in 2QFY2012 from S\$70.3 million in 2QFY2011. KSH’s construction segment contributed 61.2% of the Group’s revenue.

The decrease in revenue from KSH’s construction segment was offset by a surge in revenue in the Property Development and Management segment, which made up the remaining 38.8% of the Group’s revenue in 2QFY2012. This was mainly due to an increase in revenue recognised from the sale of development property worth S\$19.8 million, of which none was recognised in 2QFY2011.

In line with the decrease in construction revenue, KSH’s cost of sales decreased 30.9% from S\$62.6 million in 2QFY2011 to S\$43.3 million in 2QFY2012. Finance costs also decreased 31.6% from S\$0.6 million in 2QFY2011 to S\$0.4 million in the current quarter due to a decline in borrowings and interest rate. The provision of bonuses and salaries as well as accommodation expenses for staff and workers led to personnel expenses amounting to S\$2.5 million in 2QFY2012.

Profit before taxation increased 33.1% from S\$5.1 million in 2QFY2011 to S\$6.8 million in 2QFY2012. Correspondingly, the Group’s net profit attributable to shareholders also rose from S\$4.2 million in 2QFY2011 to S\$5.2 million in 2QFY2012.

For the half year ended September 30, 2011 ("1HFY2012"), the Group's total revenue declined 34.0% to S\$95.1 million from S\$144.1 million in the same corresponding period. This was mainly due to a decrease in revenue from the construction business to S\$72.7 million in 1HFY2012 from S\$141.3 million in 1HFY2011, which was offset by the increase in revenue recognised from sale of a development property valued at S\$19.8 million.

As at September 30, 2011, the Group maintained a healthy balance sheet and working capital position, with cash and cash equivalents and fixed deposits of S\$50.3 million. The Group's earnings per share and net asset value stood at 1.51 cents and 38.47 cents respectively, as at September 30, 2011.

Prospects and Growth Plans

The Monetary Authority of Singapore announced on October 27, 2011 that with uncertainty of how events will unfold in the United States and Euro Zone, weak growth is expected for the next few quarters before the Singapore economy makes a modest recovery in the second half of 2012.

Mr Choo commented, "We are cautiously optimistic on the outlook of our core construction business. Backed by construction order books of approximately S\$377.0 million as at September 30, 2011, we will prudently enhance our portfolio and remain focused on our strategy, which is to leverage on our strong track record in construction and capitalise on our ability to tender for general building projects of unlimited value.

"We will also be mindful of the possible impact of the macroeconomic conditions, increased intensity of competition in the construction industry, government's policies and measures on the construction and property-related industries as well as inflationary pressure 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 32 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 Building and Construction Authority (“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.

The Group had recently secured a contract worth S\$49.9 million for the proposed additions and alterations to the existing Mount Alvernia Hospital and another contract worth S\$138.4 million for the construction of Eight Courtyards from a joint venture company between Frasers Centrepoint and Far East Organisation. On-going construction projects carried out by the Group include a contract of S\$78.7 million from Wheelock Properties subsidiary for the construction of Ardmore Three, a S\$49.1 million contract from the Ministry of Education, Singapore, for the construction of one new primary school along Punggol Place and one new primary school along Anchorvale Link and a S\$70.6 million contract to construct a luxury freehold condominium, Centennia Suites along Kim Seng Road.

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 People’s of Republic of China (“PRC”) as well as in Singapore (via joint ventures).

More details can be found at www.kimsengheng.com

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