



KSH Holdings Limited

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

NEWS RELEASE

KSH HOLDINGS ACHIEVES 23% INCREASE IN NET PROFIT TO S\$22.6 MILLION IN FY2011

- Strong order book of approximately S\$245.0 million
- Strong balance sheet and working capital position with total fixed deposits, cash and bank balances of approximately S\$91.5 million
- Proposes final dividend of 1.0 cent per share

S\$m	FY2011	FY2010	% Change
Revenue	262.8	290.9	(10)
Profit before taxation	29.3	23.0	27
Profit after taxation	22.6	18.3	23
Net Profit (Before NCI) Attributable to Shareholders	21.6	18.0	20
EPS (Basic)(Singapore cents)*	6.72	7.05	(5)
NAV per share (Singapore cents)	36.42	36.88	(1)

* EPS per share was computed based on the weighted average number of shares of 255,073,635 in FY2010 and 321,037,590 in FY2011

Singapore, May 23, 2011 – 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 23% increase in profit after taxation to S\$22.6 million for the full year ended March 31, 2011 (“FY2011”) on revenue of S\$262.8 million.

The increase in profit after taxation in FY2011 was mainly due to cost efficiencies. Profit before taxation from KSH Holdings' core construction business and property development and management business segment increased 27% to S\$29.3 million in FY2011 from S\$23.0 million for the full year ended March 31, 2010 ("FY2010").

Commented Mr Choo Chee Onn (朱峙安), Executive Chairman and Managing Director of KSH Holdings, "We are pleased to have achieved another year of growth, buoyed by the pickup in the global economy and construction sector. We will continue to leverage on our strong track record in both the public and private sectors to strengthen our business in the construction sector.

"To reward our loyal shareholders, apart from the interim dividend, the Board of Directors is declaring a one-tier tax exempt final dividend of 1.0 cent per share, bringing total dividends declared to 2.0 cents per share."

The Board of Directors has also proposed the adoption of the KSH Holdings Limited Scrip Dividend Scheme and intends to implement it for FY2011, subject to receipt of the requisite regulatory approvals. This would provide shareholders with the option to elect for their dividends to be paid either in cash or for an allotment of new shares in lieu of the cash amount.

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

Performance Review

The Group's Construction business in Singapore continued to be its strongest revenue contributor in FY2011. At S\$257.3 million, it accounts for 98.0% of total Group revenue. Revenue from the Group's other business division, the Property Development and Management segment, made up 2% of total revenue in FY2010 at S\$5.5 million.

Arising from the completion of several projects during the period, FY2011 revenue from the Construction business decreased by 9.8% or S\$28.1 million from S\$285.4 million for the full year ended March 31, 2010 ("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.

Mr Choo commented, "Amidst uncertainties in the global and domestic economic conditions and the inflationary pressure on business operation costs, we have sought out new and viable construction projects, enabling our core Construction business to register profit before taxation improvement. The business continues to be robust, backed by strong existing order books of over S\$245.0 million as at May 19, 2011."

The Group's Property Development and Management segment experienced a growth to register a profit before taxation of S\$3.4 million. This segment registered a S\$1.4 million increase in rental income from investment properties and development property in FY2011 as compared to FY2010.

Geographically, the bulk of KSH's revenue continues to be derived from its operations in Singapore. In FY2011, Singapore contributed S\$257.6 million, making up 98.0% of total sales, while China contributed S\$5.2 million, accounting for 2.0% of total revenue.

As at March 31, 2011, the Group maintained a strong balance sheet and working capital position with a total of approximately S\$91.5 million in fixed deposits, cash and bank balances.

The Group's EPS and net asset value per share stood at 6.72 and 36.42 cents respectively, as at March 31, 2011.

Prospects and Growth Plans

As the economy continues to strengthen, the Building and Construction Authority 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.

The Group, whilst backed by strong construction order books of approximately S\$245.0 million, is cautiously optimistic on the outlook of its construction business given the uncertainties in economic conditions, more intense competition in the construction industry, government's policies and measures on construction and properties related industry and the inflationary pressure on business operation costs.

Nonetheless, the Group will capitalise on these opportunities and further build on its strong track record in both the public and private sectors to maintain a good mix of projects in these sectors for resilient growth in the business. At the same time, the Group will continue to carefully monitor market conditions while tendering for new construction projects.

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\$78.7 million for the construction of Ardmore Three from Wheelock Properties' subsidiary, Botanica Pte Ltd. On-going construction projects carried out by the Group include a contract of S\$49.1 million 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, a S\$70.6 million contract to construct a luxury freehold condominium, Centennia Suites along Kim Seng Road, a S\$83.4 million contract from the National University of Singapore ("NUS") for the construction of the University Town's two blocks of residential colleges and five blocks of common facility buildings. Other on-going projects include the construction of Watten Residences as well as 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 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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052/11/003/KSH

May 23, 2011