



KSH Holdings Limited

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

UNAUDITED THIRD QUARTER AND NINE-MONTH FINANCIAL STATEMENTS & DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2014

1 (a) (i) An income statement and statement of comprehensive income, or 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	GROUP			GROUP		
	THIRD QUARTER ENDED		increase/ (decrease)	NINE MONTHS ENDED		increase/ (decrease)
	31.12.2014	31.12.2013 (re-stated)		31.12.2014	31.12.2013 (re-stated)	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
REVENUE						
Project revenue	58,159	82,021	(29.1)	180,247	230,584	(21.8)
Rental income from investment properties	1,581	1,600	(1.2)	4,617	4,709	(2.0)
	59,740	83,621	(28.6)	184,864	235,293	(21.4)
Other income	2,870	1,476	94.4	5,716	4,541	25.9
Cost of construction	(49,188)	(72,129)	(31.8)	(158,722)	(208,061)	(23.7)
Personnel expenses	(3,380)	(3,722)	(9.2)	(9,079)	(8,086)	12.3
Depreciation of property, plant and equipment	(476)	(433)	9.9	(1,397)	(1,325)	5.4
Finance costs	(1,593)	(917)	73.7	(4,596)	(1,847)	nm
Other operating expenses	(2,132)	(1,628)	31.0	(5,379)	(4,522)	19.0
	(56,769)	(78,829)	(28.0)	(179,173)	(223,841)	(20.0)
Profit from operations before share of results of associates and joint venture	5,841	6,268	(6.8)	11,407	15,993	(28.7)
Share of results of associates and joint venture	6,911	4,779	44.6	19,382	20,571	(5.8)
Profit before taxation	12,752	11,047	15.4	30,789	36,564	(15.8)
Tax expense	(1,315)	(1,078)	22.0	(2,778)	(2,827)	(1.7)
Net profit for the financial period	11,437	9,969	14.7	28,011	33,737	(17.0)
Attributable to:						
- Owners of the Company	11,353	9,906	14.6	27,718	33,485	(17.2)
- Non-controlling interests	84	63	33.3	293	252	16.3
	11,437	9,969	14.7	28,011	33,737	(17.0)

nm: not meaningful

1 (a) (i) STATEMENT OF COMPREHENSIVE INCOME

	GROUP			GROUP		
	THIRD QUARTER ENDED		increase/ (decrease) %	NINE MONTHS ENDED		increase/ (decrease) %
	31.12.2014	31.12.2013		31.12.2014	31.12.2013	
	S\$'000	S\$'000		S\$'000	S\$'000	
Net profit for the financial period	11,437	9,969	14.7	28,011	33,737	(17.0)
Other comprehensive income:						
- Foreign currency translation	4,078	1,266	nm	5,384	4,275	25.9
Other comprehensive income for the financial period, net of tax	4,078	1,266	nm	5,384	4,275	25.9
Total comprehensive income for the financial period	15,515	11,235	38.1	33,395	38,012	(12.1)
Total comprehensive income attributable to:						
- Owners of the Company	14,503	10,895	33.1	31,887	36,784	(13.3)
- Non-controlling interests	1,012	340	nm	1,508	1,228	22.8
	15,515	11,235	38.1	33,395	38,012	(12.1)

nm: not meaningful

1 (a) (ii) NOTES TO THE INCOME STATEMENT

	GROUP			GROUP		
	THIRD QUARTER ENDED		increase/ (decrease) %	NINE MONTHS ENDED		increase/ (decrease) %
	31.12.2014	31.12.2013		31.12.2014	31.12.2013	
S\$'000	S\$'000 (re-stated)		S\$'000	S\$'000 (re-stated)		
The Group's profit before taxation is arrived at after crediting/(charging) the following:						
Interest income	1,693	684	nm	3,342	2,011	66.2
Allowance for doubtful debts	-	(14)	(100.0)	(27)	(96)	(71.9)
Amortisation of club membership	(1)	(1)	-	(2)	(2)	-
Amortisation of issuance costs on term notes	(125)	(57)	nm	(375)	(57)	nm
Fair value gain/(loss) on structured deposits	17	(2)	nm	26	(46)	nm
(Loss)/gain on sale of plant and equipment	(6)	(1)	nm	34	46	(26.1)
Foreign exchange gain/(loss), net	69	107	(35.5)	(259)	85	nm
Interest expense	(1,574)	(892)	76.5	(4,532)	(1,754)	nm
Profit after taxation before non-controlling interests as a percentage of turnover	19.14%	11.92%	61.0	15.15%	14.34%	6.0
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 December 2014 and 31 December 2013	4.81%	4.78%	1.0	11.75%	16.17%	(27.0)

nm: not meaningful

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.

STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	31.12.2014	31.03.2014 (re-stated)	31.12.2014	31.03.2014
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	9,899	10,088	-	-
Investments in subsidiaries	-	-	57,516	57,516
Interests in associates	160,983	121,293	-	-
Investment in a joint venture	250	250	-	-
Investment properties	125,740	117,233	-	-
Amount due from a minority shareholder of a subsidiary (non-trade)	2,383	2,259	-	-
Amounts due from subsidiaries (non-trade)	-	-	114,818	81,476
Trade receivables	13,298	15,418	-	-
Club membership	42	44	-	-
Other investments - quoted equity shares	1	1	-	-
Structured deposits	1,082	1,056	-	-
	313,678	267,642	172,334	138,992
Current assets				
Inventory	2	2	-	-
Trade receivables	41,670	32,371	-	-
Other receivables and deposits	23,456	1,343	16	20
Prepayments	405	415	35	70
Amounts due from a joint venture (non-trade)	14,472	20,896	-	-
Amounts due from subsidiaries (non-trade)	-	-	3,000	-
Construction work-in-progress in excess of progress billings	4,710	13,407	-	-
Fixed deposits	55,358	126,297	7,042	31,228
Cash and bank balances	16,086	12,174	729	1,778
	156,159	206,905	10,822	33,096
LIABILITIES				
Current liabilities				
Trade payables	21,778	17,580	-	-
Other payables and accruals	58,338	61,071	1,588	4,433
Deferred income	634	276	-	-
Amounts due to subsidiaries (non-trade)	-	-	-	-
Finance lease obligations	109	-	-	-
Provision for income tax	1,818	2,726	24	19
Progress billings in excess of construction work-in-progress	7,328	8,758	-	-
Bank term loans, secured	7,863	9,132	6,000	6,000
Bills payable to banks, secured	-	24,466	-	-
	97,868	124,009	7,612	10,452
Net current assets	58,291	82,896	3,210	22,644

STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	31.12.2014	31.03.2014	31.12.2014	31.03.2014
	S\$'000	(restated) S\$'000	S\$'000	S\$'000
Non-current liabilities				
Trade payables	5,574	7,792	-	-
Other payables and accruals	1,593	543	-	-
Amounts due to subsidiaries (non-trade)	-	-	31,884	1,887
Finance lease obligations	462	-	-	-
Bank term loans, secured	11,932	10,892	-	-
Term notes, unsecured	74,307	73,931	74,307	73,931
Deferred tax liabilities	19,563	18,604	-	-
	<u>113,431</u>	<u>111,762</u>	<u>106,191</u>	<u>75,818</u>
NET ASSETS	<u>258,538</u>	<u>238,776</u>	<u>69,353</u>	<u>85,818</u>
EQUITY				
Equity attributable to Owners of the Company				
Share capital	50,915	50,915	50,915	50,915
Treasury shares	(754)	-	(754)	-
Translation reserve	6,017	1,848	-	-
Accumulated profits	176,793	161,461	17,036	32,747
Other reserves	2,988	3,033	2,156	2,156
	<u>235,959</u>	<u>217,257</u>	<u>69,353</u>	<u>85,818</u>
Non-controlling interests	22,579	21,519	-	-
TOTAL EQUITY	<u>258,538</u>	<u>238,776</u>	<u>69,353</u>	<u>85,818</u>

1(b)(ii) GROUP'S BORROWINGS AND DEBT SECURITIES

The amount repayable in one year or less, or on demand			
At 31.12.2014		At 31.03.2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
7,972	-	33,598	-

The amount repayable after one year			
At 31.12.2014		At 31.03.2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
12,394	74,307	10,892	73,931

Details of any collaterals:

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) First legal mortgage on the Group's investment properties and leasehold factory building;
- 4) Charge on fixed deposits and structured deposits;
- 5) First charge over the contract proceeds/project account arising from the construction project financed;
- 6) A first legal mortgage over the development property of a joint venture;
- 7) Legal assignment of sales proceeds from the development property of a joint venture;
- 8) Legal assignment of tenancy, rental, lease and licence agreements from development property of a joint venture;
- 9) Legal assignment of the construction contract(s) and performance bonds from development property of a joint venture;
- 10) Legal assignment of fire insurance policy from development property of a joint venture;
- 11) Corporate guarantees from all the shareholders of a joint venture in equal share ratio; and
- 12) 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.

STATEMENT OF CASH FLOWS

	GROUP		GROUP	
	THIRD QUARTER ENDED		NINE MONTHS ENDED	
	31.12.2014	31.12.2013 re-stated	31.12.2014	31.12.2013 re-stated
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Profit before taxation	12,752	11,047	30,789	36,564
Adjustments:				
Depreciation of property, plant and equipment	476	433	1,397	1,325
Amortisation of club membership	1	1	2	2
Amortisation of issuance costs on term notes	125	57	375	57
Loss/(gain) on sale of plant and equipment	6	1	(34)	(46)
Fair value (gain)/loss on structured deposits	(17)	2	(26)	46
Allowance for doubtful debts	-	14	27	96
Interest expense	1,574	892	4,532	1,754
Interest income	(1,693)	(684)	(3,342)	(2,011)
Share of results of associates and joint venture	(6,911)	(4,779)	(19,382)	(20,571)
Operating cash flows before changes in working capital	<u>6,313</u>	<u>6,984</u>	<u>14,338</u>	<u>17,216</u>
(Increase)/decrease in:				
Inventory	-	1	-	-
Trade and other receivables, deposits and prepayments	(1,159)	(5,745)	(7,217)	(16,494)
Construction work-in-progress, net	6,510	4,316	7,267	(4,367)
(Decrease)/increase in:				
Trade and other payables and accruals	(4,827)	10,371	265	26,926
Deferred income	247	58	357	141
Cash flows generated from operations	<u>7,084</u>	<u>15,985</u>	<u>15,010</u>	<u>23,422</u>
Income taxes paid	(1,653)	(1,709)	(3,559)	(4,176)
Interest income received	1,693	684	3,342	2,011
Exchange differences	(78)	522	(133)	665
Net cash flows generated from operating activities	<u>7,046</u>	<u>15,482</u>	<u>14,660</u>	<u>21,922</u>
Investing activities				
Purchase of plant and equipment	(598)	(320)	(646)	(534)
Purchase of investment properties	-	(617)	(2,788)	(1,799)
Proceeds from sale of plant and equipment	-	-	46	60
Investments in associates	-	-	-	(150)
Loans due from associates, net	17,203	396	(35,212)	(8,042)
Net cash flows generated from/(used in) investing activities	<u>16,605</u>	<u>(541)</u>	<u>(38,600)</u>	<u>(10,465)</u>
Financing activities				
Dividends paid	(5,627)	(5,577)	(12,879)	(10,342)
Purchase of treasury shares	(754)	-	(754)	-
Proceeds from term notes	-	73,749	-	73,749
Proceeds from bank term loans	-	601	1,734	1,762
Repayment of bank term loans	(115)	(129)	(2,400)	(468)
Repayment of bills payable to banks	(26,044)	(12,449)	(24,466)	(4,648)
Interest paid	(1,574)	(892)	(4,532)	(1,754)
Proceeds from lease obligations	385	-	-	-
Repayment of lease obligations	-	(2)	-	(16)
Increase in pledged fixed deposits	(4)	(31)	(30)	(57)
Acquisition of non-controlling interests	-	-	-	(1,890)
Net cash flows (used in)/generated from financing activities	<u>(33,733)</u>	<u>55,270</u>	<u>(43,327)</u>	<u>56,336</u>
Net (decrease)/increase in cash and cash equivalents	<u>(10,082)</u>	<u>70,211</u>	<u>(67,267)</u>	<u>67,793</u>
Effect of exchange rate changes on cash and cash equivalents	164	(352)	211	(218)
Cash and cash equivalents at beginning of financial period/year	<u>65,319</u>	<u>54,621</u>	<u>122,457</u>	<u>56,905</u>
Cash and cash equivalents at end of financial period (Note A)	<u>55,401</u>	<u>124,480</u>	<u>55,401</u>	<u>124,480</u>

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

	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	S\$'000	S\$'000	S\$'000	S\$'000
Cash and bank balances**	16,086	20,034	16,086	20,034
Fixed deposits	55,358	120,447	55,358	120,447
	<u>71,444</u>	<u>140,481</u>	<u>71,444</u>	<u>140,481</u>
Less: Pledged fixed deposits	(16,043)	(16,001)	(16,043)	(16,001)
Cash and cash equivalents	<u>55,401</u>	<u>124,480</u>	<u>55,401</u>	<u>124,480</u>

** The Group's cash and bank balances earn interest at floating rates based on daily bank deposit rates.

UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2014

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.

STATEMENT OF CHANGES IN EQUITY

GROUP	Attributable to Owners of the Company							Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Translation reserve S\$'000	Accumulated profits S\$'000	Other reserves S\$'000	Equity attributable to Owners of the Company, total S\$'000	Non-controlling interests S\$'000	
At 1 April 2013	50,915	-	(269)	126,767	2,989	180,402	21,888	202,290
Net profit for the financial period	-	-	-	33,485	-	33,485	252	33,737
<u>Other comprehensive income</u>								
Foreign currency translation	-	-	3,298	-	-	3,298	976	4,274
Other comprehensive income for the financial period	-	-	3,298	-	-	3,298	976	4,274
Total comprehensive income for the financial period	-	-	3,298	33,485	-	36,783	1,228	38,011
<u>Contributions by and distributions to owners</u>								
Acquisition of non-controlling interests without a change in control	-	-	-	-	(107)	(107)	(1,783)	(1,890)
Interim and final tax-exempt dividends on ordinary shares	-	-	-	(9,944)	-	(9,944)	(397)	(10,341)
Transfer to other reserves	-	-	-	(120)	120	-	-	-
Total contributions by and distributions to owners	-	-	-	(10,064)	13	(10,051)	(2,180)	(12,231)
At 31 December 2013	50,915	-	3,029	150,188	3,002	207,134	20,936	228,070
At 1 April 2014	50,915	-	1,848	161,461	3,033	217,257	21,519	238,776
Net profit for the financial period	-	-	-	27,718	-	27,718	293	28,011
<u>Other comprehensive income</u>								
Foreign currency translation	-	-	4,169	-	-	4,169	1,215	5,384
Other comprehensive income for the financial period	-	-	4,169	-	-	4,169	1,215	5,384
Total comprehensive income for the financial period	-	-	4,169	27,718	-	31,887	1,508	33,395
<u>Contributions by and distributions to owners</u>								
Interim & final tax-exempt dividends on ordinary shares	-	-	-	(12,431)	-	(12,431)	(448)	(12,879)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	(754)	-	-	-	(754)	-	(754)
Transfer to other reserves	-	-	-	45	(45)	-	-	-
Total contributions by and distributions to owners	-	(754)	-	(12,386)	(45)	(13,185)	(448)	(13,633)
At 31 December 2014	50,915	(754)	6,017	176,793	2,988	235,959	22,579	258,538

UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2014

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.

STATEMENT OF CHANGES IN EQUITY

COMPANY	Share capital S\$'000	Treasury shares S\$'000	Accumulated profits S\$'000	Other reserves S\$'000	Total equity S\$'000
At 1 April 2013	50,915	-	14,267	2,156	67,338
Net profit for the financial period	-	-	27,699	-	27,699
Total comprehensive income for the financial period	-	-	27,699	-	27,699
<u>Contributions by and distributions to owners</u>					
Interim and final tax-exempt dividends on ordinary shares	-	-	(9,944)	-	(9,944)
Total contributions by and distributions to owners	-	-	(9,944)	-	(9,944)
At 31 December 2013	50,915	-	32,022	2,156	85,093
At 1 April 2014	50,915	-	32,747	2,156	85,818
Net loss for the financial period	-	-	(3,280)	-	(3,280)
Total comprehensive income for the financial period	-	-	(3,280)	-	(3,280)
<u>Contributions by and distributions to owners</u>					
Interim and final tax-exempt dividends on ordinary shares	-	-	(12,431)	-	(12,431)
Purchase of treasury shares	-	(754)	-	-	(754)
Total contributions by and distributions to owners	-	(754)	(12,431)	-	(13,185)
At 31 December 2014	50,915	(754)	17,036	2,156	69,353

SHARE CAPITAL

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, 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 FY2015, the Company acquired 1,448,000 (FY2014: nil) ordinary shares by way of market purchases on the Singapore Exchange and held as treasury shares.

The total number of issued shares as at 31 December 2014 was 412,905,307 shares excluding treasury shares (as at 31 December 2013 was 414,353,307 shares excluding treasury shares).

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.

Total number of issued shares excluding treasury shares:	<u>Number of shares</u>
Balance as at 31 March 2014 and 30 September 2014	
- Ordinary Shares	414,353,307
during the 3rd quarter FY2015	
Purchase of treasury shares	
- Ordinary Shares	(1,448,000)
Balance as at 31 December 2014	
- Ordinary Shares	412,905,307

The total number of treasury shares held by the Company as at 31 December 2014 was 1,448,000 (as at 31 December 2013: nil).

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

There were no sales, transfers, disposals, cancellation and/or use of treasury shares during the period ended 31 December 2014.

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 financial statements for the audited financial year ended 31 March 2014, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 April 2014.

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.

FRS 111 Joint Arrangements and Revised FRS 28 Investments in Associates and Joint Ventures

FRS 111 Joint Arrangements and Revised FRS 28 Investments in Associates and Joint Ventures are effective for financial periods beginning on or after 1 January 2014.

FRS 111 classifies joint arrangements either as joint operations or joint ventures. Joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities of the arrangement whereas joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

ACCOUNTING POLICIES (Cont'd)

- 5 FRS 111 requires the determination of joint arrangement's classification to be based on the parties' rights and obligations under the arrangement, with the existence of a separate legal vehicle no longer being the key factor. FRS 111 disallows proportionate consolidation and requires joint ventures to be accounted for using the equity method. The revised FRS 28 was amended to describe the application of equity method to investments in joint ventures in addition to associates.

Management has assessed the impact of the above change in accounting standards on the Group's financial, and as a result, equity accounting for a joint venture company - Phileap Pte. Ltd. (25%) has been applied in accordance with FRS 111 and revised FRS 28. The change has been applied retrospectively, and accordingly, the financial for the comparative period have been restated.

FRS 112 Disclosure of Interests in Other Entities is effective for financial periods beginning on or after 1 January 2014.

FRS 112 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. FRS 112 requires an entity to disclose information that helps users of its financial statements to evaluate the nature and risks associated with its interests in other entities and the effects of those interests on its financial statements. As this is a disclosure standard, it will have no impact to the financial position and financial performance of the Group when applied in 2014.

The effects on the Financial Statements for the adoption of the Amendments to FRS 111 are as follows:

Increase/(decrease) in:

Statement of Financial Position

Non-current assets

Interests in a joint venture
Investment properties

**GROUP
31.03.2014
S\$'000**

14,793
1,041
15,834

Current assets

Development property
Other receivables and deposits
Fixed deposits
Cash and bank balances

(39,849)
(9)
(2,875)
(1,074)
(43,807)

Current liabilities

Trade payables
Other payables and accruals
Bank term loans, secured

(908)
(170)
(26,895)
(27,973)

Net current assets

(15,834)

NET ASSETS

-

Income Statement/Statement of Comprehensive Income

(Decrease)/increase in:

Revenue
Cost of construction
Other income
Other operating expenses
Share of results of joint venture

**GROUP
THIRD QUARTER ENDED
31.12.2013
S\$'000**

(30,196)
31,117
(8)
(1,401)
488

Net profit for the financial period

-

ACCOUNTING POLICIES (Cont'd)

EARNINGS PER SHARE

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

	GROUP THIRD QUARTER ENDED		GROUP NINE MONTHS ENDED	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	(cents)	(cents)	(cents)	(cents)
a) On a basic basis	2.75	2.39	6.71	8.08
b) On a fully diluted basis	2.75	2.39	6.71	8.08
	S\$'000	S\$'000	S\$'000	S\$'000
Group's profit for the financial period attributable to Owners of the Company used in the computation of basic and diluted EPS	11,353	9,906	27,718	33,485
Weighted average number of ordinary shares excluding treasury shares for computing basic and diluted EPS	412,905,307	414,353,307	412,905,307	414,353,307

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

	GROUP		COMPANY	
	as at 31.12.2014	as at 31.03.2014	as at 31.12.2014	as at 31.03.2014
Net asset value per ordinary share (cents)	57.15	52.43	16.80	20.71
Issue share capital excluding treasury shares at the end of the period/year	412,905,307	414,353,307	412,905,307	414,353,307

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 financial period reported on.

INCOME STATEMENT

3QFY2015 vs 3QFY2014

Revenue

The Group has a total revenue of S\$59.7 million for the third quarter ended 31 December 2014 ("3QFY2015"), a decrease of S\$23.9 million or 28.6% compared to S\$83.6 million registered in the corresponding financial period ended 31 December 2013 ("3QFY2014"). The decrease was mainly due to the decrease in revenue from the construction business of S\$23.8 million or 29.1% from S\$82.0 million in 3QFY2014 to S\$58.2 million in 3QFY2015.

REVIEW OF THE PERFORMANCE OF THE GROUP

INCOME STATEMENT

3QFY2015 vs 3QFY2014

Other income

Other income increased by S\$1.4 million from S\$1.5 million in 3QFY2014 to S\$2.9 million in 3QFY2015, mainly due to the increase in interest income.

Operating expenses

Cost of construction decreased by S\$22.9 million or 31.8% from S\$72.1 million in 3QFY2014 to S\$49.2 million in 3QFY2015 in line with the decrease in revenue for construction business.

Personnel expenses decreased by S\$0.3 million or 9.2% from S\$3.7 million in 3QFY2014 to S\$3.4 million in 3QFY2015 mainly due to decrease in bonuses of S\$0.3 million.

There were no significant differences in depreciation of property, plant and equipment between 3QFY2015 and 3QFY2014.

Finance costs increased by S\$0.7 million from S\$0.9 million in 3QFY2014 to S\$1.6 million 3QFY2015 mainly due to the term notes issued in November 2013 and increase in interest rates.

Other operating expenses increased by S\$0.5 million or 31.0% from S\$1.6 million in 3QFY2014 to S\$2.1 million in 3QFY2015, due to increase in exchange loss of S\$0.5 million.

Share of results of associates and joint venture increased by S\$2.1 million or 44.6% from a profit of S\$4.8 million in 3QFY2014 to S\$6.9 million in 3QFY2015, due to S\$3.5 million of the increase was attributable to a higher percentage of completion resulting to an increase in profit recognition from ongoing development projects. Additional contribution from new joint venture investment in Prudential Tower also resulted on another increase of S\$1.4 million. These increases were mitigated by a S\$2.8 million decrease due to both lower sales and percentage of completion resulting in a decrease in profit recognition from completed development projects during 3QFY2015.

Tax expense increased by S\$0.2 million or 22.0% from S\$1.1 million in 3QFY2014 to S\$1.3 million in 3QFY2015. The effective tax rate of the Group in 3QFY2015 was higher than 3QFY2014 due to the increase in expenses incurred which are not allowed for tax deduction.

As a result of the above, the Group registered an increase of net profit attributable to Owners of the company of S\$1.5 million or 14.6% from S\$9.9 million in 3QFY2014 to S\$11.4 million in 3QFY2015.

9MFY2015 vs 9MFY2014

Revenue

The Group has a total revenue of S\$184.9 million for the nine months period ended 31 December 2014 ("9MFY2015"), a decrease of S\$50.4 million or 21.4% compared to S\$235.3 million registered in the corresponding nine months period ended 31 December 2013 ("9MFY2014"). The decrease was mainly due to the decrease in revenue from the construction business of S\$50.4 million or 21.8% from S\$230.6 million in 9MFY2014 to S\$180.2 million in 9MFY2015.

Other income

Other income increased by S\$1.2 million or 25.9% from S\$4.5 million in 9MFY2014 to S\$5.7 million in 9MFY2015. The increase was mainly due to increase in interest income of S\$1.3 million and increase in exchange gain of S\$0.3 million, offset by decrease in management fees from associates of S\$0.3 million.

Operating expenses

Cost of construction decreased by S\$49.4 million or 23.7% from S\$208.1 million in 9MFY2014 to S\$158.7 million in 9MFY2015 mainly due to the decrease in revenue for construction business.

REVIEW OF THE PERFORMANCE OF THE GROUP

Operating expenses

Personnel expenses increased by S\$1.0 million or 12.3% from S\$8.1 million in 9MFY2014 to S\$9.1 million in 9MFY2015 mainly due to increase in staff & workers bonuses of S\$1.2 million and increase in salaries, allowances and CPF contribution for staff and workers of S\$0.8 million, partially offset by decrease in management bonuses of S\$0.6 million and savings in workers accommodation cost of S\$0.4 million with the completion of a workers dormitory.

There were no significant differences in depreciation of property, plant and equipment between 9MFY2015 and 9MFY2014.

Finance costs increased by S\$2.8 million from S\$1.8 million in 9MFY2014 to S\$4.6 million 9MFY2015 mainly due to the term notes issued in November 2013 and increase in interest rates.

Other operating expenses increased by S\$0.9 million or 19.0% from S\$4.5 million in 9MFY2014 to S\$5.4 million in 9MFY2015 mainly due to increase in exchange loss of S\$0.7 million, increase in amortisation of issuance costs on term notes of S\$0.3 million, and increase in sponsorship of S\$0.2 million. The increase is offset by the decrease in building maintenance cost of expenses for investment properties of S\$0.3 million.

Share of results of associates and joint venture decreased by S\$1.2 million or 5.8% from S\$20.6 million in 9MFY2014 to S\$19.4 million in 9MFY2015 mainly due to the both lower sales and percentage of completion recognised on the development property projects in Singapore which had been completed before end 9MFY2015. These decreases were mitigated by an increase in profit recognition from ongoing development projects and additional contribution from new joint venture investment in Prudential Tower.

There were no significant differences in tax expense between 9MFY2014 and 9MFY2015. The effective tax rate of the Group in 9MFY2015 was higher than 9MFY2014 due to the increase in expenses incurred which are not allowed for tax deduction.

As a result of the above, the Group registered a decrease of net profit attributable to Owners of the company of S\$5.8 million or 17.2% from S\$33.5 million in 9MFY2014 to S\$27.7 million in 9MFY2015.

STATEMENT OF FINANCIAL POSITION

Non-current assets

Property, plant and equipment ("PPE") decreased by S\$0.2 million from S\$10.1 million as at 31 March 2014 ("FY2014") as compared to S\$9.9 million as at 31 December 2014 ("9MFY2015") due to depreciation offset by new purchase of plant and equipment during 9MFY2015.

Interests in associates increased by S\$39.7 million from S\$121.3 million in FY2014 to S\$161.0 million in 9MFY2015 due to share of results of associates and additional loans to associates to finance the development property projects.

Investment properties increased by S\$8.5 million from S\$117.2 million in FY2014 to S\$125.7 million in 9MFY2015 mainly due to purchase of the investment properties in Singapore and foreign exchange differences.

Trade receivables under non-current assets decreased by S\$2.1 million from S\$15.4 million in FY2014 to S\$13.3 million in 9MFY2015, mainly due to decrease in retention sum receivables from ongoing and completed construction projects.

Current assets

Trade receivables under current assets increased by S\$9.3 million from S\$32.4 million in FY2014 to S\$41.7 million in 9MFY2015 mainly due to the increase in amount of progress claims certified for construction projects in progress at the end of 9MFY2015.

Other receivables and deposits increased by S\$22.2 million from S\$1.3 million in FY2014 to S\$23.5 million in 9MFY2015 mainly due to dividend receivables of S\$22.1 million from an associate in Singapore. This dividend receivables has been received after 9MFY2015.

With a decrease in construction business and based on the progress of construction projects as at 9MFY2015 as compared to FY2014, the construction work-in-progress in excess of progress billings decreased by S\$8.7 million from S\$13.4 million in FY2014 to S\$4.7 million in 9MFY2015.

REVIEW OF THE PERFORMANCE OF THE GROUP

STATEMENT OF FINANCIAL POSITION

Current liabilities

Trade payables under current liabilities increased by S\$4.2 million from S\$17.6 million in FY2014 to S\$21.8 million in 9MFY2015. The increase was mainly to the increase in billings from suppliers and subcontractors which will be due for release of payments in the next 12 months for construction projects in progress, of which were near completion as at end 9MFY2015.

Other payables and accruals under current liabilities decreased by S\$2.8 million from S\$61.1 million in FY2014 to S\$58.3 million in 9MFY2015. The decrease was mainly from decrease in accruals made for management bonuses of S\$1.7 million and decrease in interest payable to term notes of S\$1.0 million after interest had been paid during 3QFY2015.

Deferred income arising from profit from construction of projects developed by associates deferred in accordance with the accounting standards adopted increased by S\$0.3 million from S\$0.3 million in FY2014 to S\$0.6 million in 9MFY2015 as the projects have progressed.

Based on the progress of construction projects in 9MFY2015 as compared to FY2014, the progress billings in excess of the construction work-in-progress decreased by S\$1.5 million from S\$8.8 million to S\$7.3 million in 9MFY2015 for construction projects in progress, of which were near completion as at end of 9MFY2015.

Non-current liabilities

Trade payables under non-current liabilities decreased by S\$2.2 million from S\$7.8 million in FY2014 to S\$5.6 million in 9MFY2015. The decrease was mainly from decrease in retention sum from subcontractors for construction projects in progress as at end of 9MFY2015.

Total Group's borrowings

Total borrowings decreased by S\$23.7 million from S\$118.4 million in FY2014 to S\$94.7 million in 9MFY2015, mainly due to the decrease in use of bills payable to banks of S\$24.5 million, partially offset by the increase in finance lease obligations of S\$0.6 million.

STATEMENT OF CASH FLOWS

Net cash flows generated from operating activities of S\$14.7 million during 9MFY2015 mainly arose from operating cash flows before changes in working capital of S\$14.3 million, increase in working capital of S\$0.7 million and interest income received of S\$3.3 million, offset by payment made for income taxes of S\$3.6 million.

Net cash flows used in investing activities of S\$38.6 million during 9MFY2015 mainly arose from increases in loans due from associates of S\$35.2 million, purchase of investment properties of S\$2.8 million and purchase of plant and equipment of S\$0.6 million.

Net cash flows used in financing activities of S\$43.3 million during 9MFY2015 mainly arose from dividends payment of S\$12.9 million, interest payment of S\$4.5 million, net repayment of bank term loans of S\$0.7 million and repayment of bills payable to banks of S\$24.5 million.

With the above mentioned, net decrease in cash and cash equivalents during 9MFY2015 was S\$67.3 million.

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. The actual results in 3QFY2015 is in line with the commentary made on 13 November 2014 in paragraph 10 of the second quarter results announcement for 2QFY2015.

REVIEW OF THE PERFORMANCE OF THE GROUP

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.

According to the Singapore Construction Prospects 2015 published by the Singapore Building and Construction Authority ("BCA") in January 2015, total estimated construction demand in 2015 remains strong between S\$29 billion to S\$36 billion. The public sector construction demand is anticipated to remain strong and lend substantial support to maintain the stability of overall construction demand by partially cushioning the anticipated slowdown in the private sector building demand due to current weak property market sentiments. Over the medium-term, while private sector construction outlook remains cloudy in view of the continued global economic uncertainties and uneven growth across economies, the Government's endeavour to develop various infrastructures for the long-term needs and competitive advantage of Singapore's economy will continue to thrive the construction sector.

Cost of construction and other operating costs are likely to continue the uptrend as a result of increasing manpower cost stemming from various foreign manpower tightening measures and labour shortage; higher cost on adoption of more advanced, productive systems and technologies as well as equipments; higher cost of regulatory compliance; hikes in financing cost and etc. However, the increase in cost is likely to be restrained by current softened prices of some key construction materials.

To ride on the promising outlook of the construction sector amid continual tightening of manpower supply, the Group shall continue to strive to raise productivity through technology adoption and innovative measures; training of workers and higher usage of equipment and tools with the assistance from Government grants.

Expectations of worsening property market conditions grew stronger with the residential outlook remaining gloomy. Market sentiment in the 4th quarter 2014 continue to weaken mainly driven by poor performance in the residential sectors. The Singapore Government has not signaled its intention to relax property cooling measures even though private residential property prices have fallen 4% and the total number of private residential units sold by developers decreased significantly by 51% in 2014 as compared to 2013. The outlook of office property, however, remained resilient as the demand for prime grade office space remains positive with healthy business formations and positive economic growth in Singapore.

The Group's joint venture investment in The Prudential Tower, a Grade A office building located at the Raffles Place precinct with almost full occupancy and good tenant mix given its prime location, will also continue to contribute to the results of the Group.

Most of the Group's residential development and mixed development properties such as SkyGreen; Palacio; NeWest; and KAP & KAP Residences have already been completely or substantially sold with prices within or better than expectation and will continue to contribute to the Group's results as construction of these projects continue to progress for profit recognition.

The Group has an order book on construction projects in Singapore of more than S\$336 million.

In view of the above and barring unforeseen circumstances, the Group is cautiously optimistic on the outlook of its performance in FY2015.

DIVIDENDS

11 (a) Current financial period reported on

Any dividend declared for the current financial period reported on? **No**

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? **No**

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared/recommended during the financial period.

- 13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for Interested Person Transactions (IPTs).

NEGATIVE ASSURANCE

- 14 Negative assurance confirmation on the third quarter and nine months period financial results pursuant to Rule 705(5) of the Listing Manual of SGX-ST.

On behalf of the Board of Directors of the Company, we, the undersigned, do hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and the Company for the third quarter and nine months financial period ended 31 December 2014 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors,
By Order of the Board

Choo Chee Onn
Executive Chairman and Managing Director

Lim Kee Seng
Executive Director

11 February 2015