



CSC HOLDINGS LIMITED

(Company Registration Number: 199707845E)

Financial Statements Announcement
for the Third Quarter Ended 31 December 2008

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Review of the Performance of the Group

CONSOLIDATED INCOME STATEMENT

3Q09 – for the 3 months ended 31 December 2008

3Q08 – for the 3 months ended 31 December 2007

9M09 – for the 9 months ended 31 December 2008

9M08 – for the 9 months ended 31 December 2007

	3Q09 \$'000	3Q08 \$'000	Change %	9M09 \$'000	9M08 \$'000	Change %
Revenue	123,096	130,912	-6.0%	457,226	315,956	44.7%
Gross profit	20,311	26,898	-24.5%	78,064	66,949	16.6%
Profit before income tax	10,535	15,918	-33.8%	45,615	41,287	10.5%
Profit for the period	8,205	12,297	-33.3%	35,863	32,485	10.4%

Revenue

Revenue for 3Q09 was \$123.1 million, a decrease of 6.0% from \$130.9 million recorded in the corresponding period a year ago. This was due to lower demand for construction services across the board, as effects of the global economic slowdown became more evident. Nevertheless, on the back of a strong half-year ended September 2008, cumulative revenue for the nine months ended 31 December 2008 registered a 44.7% growth, over \$316.0 million achieved in the previous corresponding period.

Gross Profit

Gross profit for 3Q09 declined 24.5% to \$20.3 million compared to \$26.9 million in 3Q08 due to decline in revenue in 3Q09. For the nine months ended 31 December 2008, the Group achieved a 16.6% increase in gross profit to \$78.1 million, as compared to \$66.9 million registered in 9M08. Gross margin decreased to 16.5% in 3Q09 versus 20.6% in 3Q08 due to keen competition in the specialist engineering sector.

Other Income

Other income of \$1.1 million in 3Q09 was higher than the \$3,000 reported in 3Q08 mainly due to a gain on disposal of fixed assets amounting to \$0.4 million and other construction related services amounting to \$0.3 million.

Operating Expenses

Administrative, distribution and other operating expenses ("Operating Expenses") rose 3.9% and 30% in 3Q09 and 9M09 respectively. Nevertheless, the ratio of Operating Expenses to Revenue for 9M09 was lower at 6.8% compared to 7.6% for 9M08. This decrease was achieved through better economies of scale.

Share of loss of associates

The Group's share of losses from associates was down 91.7% and 87.9% for 3Q09 and 9M09 compared to 3Q08 and 9M08 respectively, due to the disposal of a loss-making associate company in May 2008.

Income tax

In line with the decline in 3Q09 profit before tax, income tax expense decreased by 35.7%.

Recent budget announced by the Singapore Government will have a positive impact on the Group's tax obligations, the effect of which will be reflected in the Group's full year financial results.

Profit After Tax

Taking into consideration the factors above, net profit for 3Q09 fell 33.3% to \$8.2 million, while net profit for 9M09 registered an increase of 10.4% to 35.9 million.

BALANCE SHEET

Property, Plant and Equipment

The Group's property, plant and equipment stood at \$134.1 million as of 31 December 2008 as compared to \$102.4 million as of 31 March 2008, primarily due to capital expenditure to expand the Group's productive capacity. However, the bulk of the capital expenditure was acquired in the first half of the current financial year.

Intangible Assets

Intangible assets representing goodwill arising from acquisition of subsidiaries increased from \$3.4 million to \$4.0 million. The increase was due to the goodwill resulting from the acquisition of a subsidiary.

Non-current Trade and Other Receivables

Non-current trade and other receivables consist mainly of retention monies due from clients. The increase in retention sums from \$18.5 million to \$22.0 million was the result of increased business activities over the last nine months.

Working Capital

As of 31 December 2008 the Group had positive working capital with net current assets standing at \$45.2 million and a current ratio of 1.2.

Inventories and Receivables

The Group had inventories amounting to \$25.7 million compared to \$19.6 million as of 31 March 2008. The increase was in line with the higher level of activity experienced by the Group in 9M09.

Despite the increase in revenue from \$316.0 million to \$457.2 million for the nine months ended 31 December 2008, trade receivables fell to \$169.8 million compared to \$175.1 million at the close of March 2008.

Borrowings

Group borrowings as of 31 December 2008 amounted to \$92.0 million, an increase of \$7.1 million which was largely attributed to financing obtained to acquire productive assets of \$46.8 million.

The Group's debt equity ratio improved to 57.0% from 63.7% as of 31 March 2008 as a result of the enlarged equity base.

Equity and Net Asset Value

For the nine months ended 31 December 2008, share options and convertible notes were exercised which resulted in an increase of \$5.6 million in the Group's share capital. Revenue reserves of the Group had also increased to \$70.3 million as a result of net profit of \$33.5 million for the nine months ended 31 December 2008. Consequently, Group equity as of 31 December 2008 was \$161.6 million compared to \$133.5 million at 31 March 2008.

Despite the increase in the number of shares and payments of final dividend (for FY08) of \$10.7 million and interim dividend (for FY09) of \$2.8 million, the Group's net asset value per share as of 31 December 2008 increased by 15.5% to 13.4 cents as compared to 11.6 cents as of 31 March 2008.

CASH FLOW

At the close of December 2008, cash and cash equivalents stood at \$14.1 million, a 232% improvement compared to \$4.3 million as at 31 December 2007.

Cash Flow from Operating Activities

For the quarter ended 31 December 2008, the Group generated operating cash inflow of \$22.0 million versus an outflow of \$18.6 million. This was mainly attributable to substantial improvement in working capital.

For the nine months ended 31 December 2008, the Group generated operating cash inflow of \$56.2 million compared to \$13.7 million in the corresponding period. This was attributable to higher profit made for the period and substantial improvement in working capital.

Cash Flow from Investing Activities

The Group's investment of \$46.8 million in 9M09 to increase the Group's productive capacity resulted in a net outflow of \$22.5 million. During the same period, the Group also disposed of some older equipment and this contributed \$2.6 million to its cash inflow as at 31 December 2008.

Cash Flow from Financing Activities

The Group paid out a final dividend (for FY08) of \$10.7 million and interim dividend (for FY09) of \$2.8 million, totalling \$13.5 million to shareholders while receiving \$3.0 million in equity arising from the conversion of share options.

In addition, the Group repaid loans (including interest payments) of \$10.3 million and \$31.5 million for 3Q09 and 9M09 respectively, which resulted in a net cash outflow from its financing activities.

The Group also incurred \$12,750 in the purchase of 150,000 treasury shares at 8.5 cents each in November 2008.

Commentary on Business Prospects

The Building and Construction Authority of Singapore recently estimated that total construction demand for calendar year 2009 will be between \$22 billion and \$28 billion. This estimate is comparable to the construction demand in 2007 and at the higher end of construction demand in the past 15 years. This is in line with the government's efforts to provide stability by initiating a number of new infrastructure-related projects and bringing forward some public sector projects that were previously postponed.

As at 1 February 2009, the Group's order book was approximately \$190 million, with most of the projects to be completed within the next 12 months.

Given the current uncertainties in the market, the Board of Directors remains cautiously optimistic about the Group's performance for the financial year 2009.

Consolidated Income Statement for the 3rd Quarter ended 31 December 2008

	Note	Group					
		3rd Quarter ended		Change	9 months ended		Change
		31-Dec-08	31-Dec-07		31-Dec-08	31-Dec-07	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue		123,096	130,912	(6.0)	457,226	315,956	44.7
Cost of sales	A	(102,785)	(104,014)	(1.2)	(379,162)	(249,007)	52.3
Gross profit		20,311	26,898	(24.5)	78,064	66,949	16.6
Other income	B	1,061	3	35,266.7	2,656	1,661	59.9
Distribution expenses		(69)	(46)	50.0	(143)	(139)	2.9
Administrative expenses		(332)	(434)	(23.5)	(1,232)	(1,380)	(10.7)
Other operating expenses	C	(9,237)	(8,799)	5.0	(29,731)	(22,411)	32.7
Results from operating activities		11,734	17,622	(33.4)	49,614	44,680	11.0
Finance income	D	10	-	N/A	41	708	(94.2)
Finance expenses		(1,154)	(1,045)	10.4	(3,875)	(2,738)	41.5
Net finance expenses		(1,144)	(1,045)	9.5	(3,834)	(2,030)	88.9
Share of loss of associates		(55)	(659)	(91.7)	(165)	(1,363)	(87.9)
Profit before income tax		10,535	15,918	(33.8)	45,615	41,287	10.5
Income tax expense	E	(2,330)	(3,621)	(35.7)	(9,752)	(8,802)	10.8
Profit for the period		8,205	12,297	(33.3)	35,863	32,485	10.4
Attributable to:							
Equity holders of the Company		7,515	11,843	(36.5)	33,467	30,981	8.0
Minority interests		690	454	52.0	2,396	1,504	59.3
Profit for the period		8,205	12,297		35,863	32,485	

Balance Sheets as at 31 December 2008

DESCRIPTION	Note	Group		Company	
		31-Dec-08	31-Mar-08	31-Dec-08	31-Mar-08
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	1	134,116	102,412	15	19
Intangible assets		4,006	3,396	-	-
Investments in:					
- subsidiaries		-	-	69,851	55,137
- associates		1,000	-	1,000	-
Quoted shares, available-for-sale		2	2	-	-
Lease prepayment		315	504	-	-
Trade and other receivables		21,997	18,451	-	-
Other non-current assets		53	51	-	-
		161,489	124,816	70,866	55,156
Current assets					
Inventories	2	25,687	19,631	-	-
Land held for development and sale		10,995	11,295	-	-
Trade and other receivables		169,819	175,144	30,491	47,725
Cash and cash equivalents		20,638	24,108	721	985
		227,139	230,178	31,212	48,710
Total assets		388,628	354,994	102,078	103,866

Balance Sheets as at 31 December 2008 (cont'd)

DESCRIPTION	Note	Group		Company	
		31-Dec-08	31-Mar-08	31-Dec-08	31-Mar-08
		S\$'000	S\$'000	S\$'000	S\$'000
Equity attributable to equity holders of the Company					
Share capital		63,627	58,057	63,627	58,057
Reserves		90,693	71,337	19,094	22,185
		154,320	129,394	82,721	80,242
Minority interests		7,278	4,070	-	-
Total equity		161,598	133,464	82,721	80,242
Non-current liabilities					
Financial liabilities		42,644	42,347	6,601	10,614
Deferred tax liabilities		2,441	5,058	14	28
		45,085	47,405	6,615	10,642
Current liabilities					
Financial liabilities		33,973	27,212	4,571	5,777
Trade and other payables		125,859	132,491	8,171	7,205
Excess of progress billings over construction work-in-progress	3	8,667	2,557	-	-
Current tax payable		13,446	11,865	-	-
		181,945	174,125	12,742	12,982
Total liabilities		227,030	221,530	19,357	23,624
Total equity and liabilities		388,628	354,994	102,078	103,866

Consolidated Statement of Cash Flows for the 3rd Quarter ended 31 December 2008

	3rd Quarter ended		9 months ended	
	<u>31-Dec-08</u>	<u>31-Dec-07</u>	<u>31-Dec-08</u>	<u>31-Dec-07</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Profit for the period	8,205	12,297	35,863	32,485
Adjustments for:				
Allowances made for:				
- foreseeable losses on construction work-in-progress	17	-	249	445
- foreseeable losses on land held for sale	-	-	300	1,000
- inventory obsolescence	-	-	324	-
Amortisation of:				
- intangible assets	58	-	176	1,556
- lease prepayment	63	63	189	189
Depreciation of property, plant and equipment	5,243	3,672	14,959	11,931
Impairment losses on:				
- an associate	-	-	80	-
- goodwill on consolidation	-	-	500	-
- property, plant and equipment	-	-	1,499	-
- trade, progress billing and other receivables	78	152	2,163	2,290
Inventories written off	-	-	-	1,268
Loss on dilution of interest in a subsidiary	-	-	125	-
Loss/(Gain) on disposal of:				
- a jointly-controlled entity	-	-	-	239
- an associate	-	-	(116)	-
- property, plant and equipment	(432)	268	(1,050)	(390)
Net finance expenses	1,144	1,045	3,834	2,030
Property, plant and equipment written off	18	(8)	77	289
Share of loss of associates	55	659	165	1,363
Share option expense	567	741	1,606	1,526
Income tax expense	2,330	3,621	9,752	8,802
	17,346	22,510	70,695	65,023
Changes in working capital:				
Inventories	3,109	(4,095)	(2,869)	(7,440)
Trade, progress billing and other receivables	21,384	(38,192)	7,162	(80,343)
Trade and other payables	(15,382)	1,745	(7,773)	37,887
Cash generated from/(used in) operations	26,457	(18,032)	67,215	15,127
Income taxes paid	(4,421)	(561)	(11,083)	(1,710)
Interest received	10	-	41	265
Cash flows from operating activities	22,046	(18,593)	56,173	13,682

Consolidated Statement of Cash Flows for the 3rd Quarter ended 31 December 2008 (cont'd)

	3rd Quarter ended		9 months ended	
	<u>31-Dec-08</u>	<u>31-Dec-07</u>	<u>31-Dec-08</u>	<u>31-Dec-07</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Investing activities				
Purchase of property, plant and equipment	(10,468)	(3,111)	(22,459)	(19,907)
Proceeds from disposal of:				
- interest in a jointly-controlled entity	-	-	-	926
- interest in an associate	-	-	116	-
- property, plant and equipment	988	196	2,607	1,680
- quoted shares, available-for-sale	-	81	-	624
Acquisition of subsidiaries, net of cash acquired	-	-	(2,634)	(11,510)
Non-trade amount owing by associates	(890)	-	(1,089)	55
Cash flows from investing activities	(10,370)	(2,834)	(23,459)	(28,132)
Financing activities				
Interest paid	(1,282)	(1,008)	(3,765)	(2,606)
Dividends paid	(2,784)	(2,603)	(13,518)	(2,603)
Proceeds from:				
- bank loans	743	-	3,500	5,200
- capital contribution from a minority shareholder	-	-	13	-
- issue of shares under share option scheme	-	-	3,002	-
Repayment of:				
- bank loans	(3,092)	9,308	(12,314)	(5,851)
- finance lease liabilities	(5,944)	(3,140)	(15,446)	(7,937)
Non-trade amount owing to a related corporation	-	-	-	2
Purchase of treasury shares	(13)	-	(13)	-
Increase in fixed deposits pledged	-	-	(228)	-
Cash flows from financing activities	(12,372)	2,557	(38,769)	(13,795)
Net decrease in cash and cash equivalents	(696)	(18,870)	(6,055)	(28,245)
Cash and cash equivalents at beginning of the period	14,829	23,123	20,188	32,498
Cash and cash equivalents at end of the period	14,133	4,253	14,133	4,253
Comprising:				
Cash and cash equivalents	20,638	13,233	20,638	13,233
Bank overdrafts (secured)	(6,277)	(7,417)	(6,277)	(7,417)
	14,361	5,816	14,361	5,816
Less:				
Fixed deposits pledged as security for bank facilities	(228)	(1,563)	(228)	(1,563)
Cash and cash equivalents in the consolidated cash flow statement	14,133	4,253	14,133	4,253

Statement of Changes in Equity for the 3rd Quarter ended 31 December 2008

<u>Group</u>	Share capital	Capital reserve	Reserve for own shares	Reserve on consolidation	Fair value reserve	Share option reserve	Currency translation reserve	Other reserve	Accumulated profits	Total attributable to equity holders of the Company	Minority interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 October 2007	56,991	17,798	-	116	-	1,565	110	205	28,877	105,662	3,134	108,796
Translation differences relating to financial statements of foreign subsidiaries, associates and jointly-controlled entity	-	-	-	-	-	-	1	-	-	1	-	1
Net gain recognised directly in equity	-	-	-	-	-	-	1	-	-	1	-	1
Profit for the period	-	-	-	-	-	-	-	-	11,843	11,843	454	12,297
Total recognised income and expense for the period	-	-	-	-	-	-	1	-	11,843	11,844	454	12,298
Value of employee services received for issue of share options	-	-	-	-	-	741	-	-	-	741	-	741
Dividend paid in respect of financial year 2008 - Interim dividend of 0.282 cents per share (less tax at 18%)	-	-	-	-	-	-	-	-	(2,603)	(2,603)	-	(2,603)
At 31 December 2007	56,991	17,798	-	116	-	2,306	111	205	38,117	115,644	3,588	119,232
At 1 October 2008	63,627	17,798	-	116	-	2,399	(446)	63	65,567	149,124	6,593	155,717
Translation differences relating to financial statements of foreign subsidiaries and associates	-	-	-	-	-	-	(79)	-	-	(79)	-	(79)
Net change in fair value of available-for-sale financial assets	-	-	-	-	(10)	-	-	-	-	(10)	-	(10)
Net loss recognised directly in equity	-	-	-	-	(10)	-	(79)	-	-	(89)	-	(89)
Profit for the period	-	-	-	-	-	-	-	-	7,515	7,515	690	8,205
Total recognised income and expense for the period	-	-	-	-	(10)	-	(79)	-	7,515	7,426	690	8,116
Value of employee services received for issue of share options	-	-	-	-	-	567	-	-	-	567	-	567
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	(5)	(5)
Purchase of treasury shares	-	-	(13)	-	-	-	-	-	-	(13)	-	(13)
Dividend paid in respect of financial year 2009 - Ordinary dividend of 0.23 cents per share (tax-exempt one-tier)	-	-	-	-	-	-	-	-	(2,784)	(2,784)	-	(2,784)
At 31 December 2008	63,627	17,798	(13)	116	(10)	2,966	(525)	63	70,298	154,320	7,278	161,598

Statement of Changes in Equity for the 3rd Quarter ended 31 December 2008 (cont'd)

<u>Company</u>	Share capital	Capital reserve	Reserve for own shares	Share option reserve	Other reserve	Accumulated (losses)/profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 October 2007	56,991	17,798	-	1,565	205	(6,435)	70,124
Loss for the period/Total recognised income and expense for the period	-	-	-	-	-	(1,157)	(1,157)
Value of employee services received for issue of share options	-	-	-	741	-	-	741
Dividend paid in respect of financial year 2008 - Interim dividend of 0.282 cents per share (less tax at 18%)	-	-	-	-	-	(2,603)	(2,603)
At 31 December 2007	56,991	17,798	-	2,306	205	(10,195)	67,105
At 1 October 2008	63,627	17,798	-	2,399	63	1,355	85,242
Loss for the period/Total recognised income and expense for the period	-	-	-	-	-	(291)	(291)
Value of employee services received for issue of share options	-	-	-	567	-	-	567
Purchase of treasury shares	-	-	(13)	-	-	-	(13)
Dividend paid in respect of financial year 2009 - Ordinary dividend of 0.23 cents per share (tax-exempt one-tier)	-	-	-	-	-	(2,784)	(2,784)
At 31 December 2008	63,627	17,798	(13)	2,966	63	(1,720)	82,721

Note:

Capital reserve

Capital Reduction Reserve

<u>Group</u>	<u>Company</u>
S\$'000	S\$'000
17,798	17,798

The Capital Reduction Reserve shall not be treated or used by the Company as a distributable reserve for dividend purposes in accordance with Article 142 of the Articles of Association of the Company and the Companies Act, Chapter 50 of Singapore.

Notes to the Financial Statements

Notes to the Consolidated Income Statement

The Group is reporting its third quarter results for the period from 1 October 2008 to 31 December 2008 ("3Q09") with comparative figures for the 3 months period from 1 October 2007 to 31 December 2007 ("3Q08").

A Cost of sales

Group			
3rd Quarter ended		9 months ended	
31/12/2008	31/12/2007	31/12/2008	31/12/2007
S\$'000	S\$'000	S\$'000	S\$'000

Cost of sales includes the following items:

Allowances made for:

- foreseeable losses on construction work-in-progress	17	-	249	445
- foreseeable losses on land held for sale	-	-	300	1,000
- inventory obsolescence	-	-	324	-
Depreciation of property, plant and equipment	5,012	3,514	14,108	11,593
Impairment losses on property, plant and equipment	-	-	427	-
Inventories written down to net realisable value	-	-	-	38
Provision for loss of inventories	-	-	-	1,268

B Other income

Group			
3rd Quarter ended		9 months ended	
31/12/2008	31/12/2007	31/12/2008	31/12/2007
S\$'000	S\$'000	S\$'000	S\$'000

Other income includes the following items:

Compensation from a main contractor ⁽¹⁾	-	-	-	610
Gain/(Loss) on disposal of:				
- an associate ⁽²⁾	-	-	116	-
- property, plant and equipment	432	(268)	1,050	390

⁽¹⁾ In April 2005, a subsidiary of the Company commenced legal proceedings against a contractor, claiming for loss of profits arising from the contractor's refusal to award the subsidiary the subcontract for foundation engineering works for a housing project, in breach of an exclusive agreement that was made sometime in September 2004. Both the High Court and the Court of Appeal decided in favour of the subsidiary. During 1Q08, the contractor and the subsidiary agreed to settle the claim at S\$610,000 and full amount was paid to the subsidiary in June 2007.

⁽²⁾ In May 2008, the Group entered into a sale and purchase agreement with a third party to dispose of its 33% equity interest in its associate, Concrete Technology Pte Ltd, for a consideration of S\$116,000, giving rise to a gain on disposal of S\$116,000.

Notes to the Consolidated Income Statement (cont'd)

C Other operating expenses

	Group			
	3rd Quarter ended		9 months ended	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
	S\$'000	S\$'000	S\$'000	S\$'000
Other operating expenses includes the following items:				
Amortisation of:				
- intangible assets ⁽³⁾	58	-	176	1,556
- lease prepayment	63	63	189	189
Bad debts written off	(1)	-	45	69
Depreciation of property, plant and equipment	231	158	851	338
Exchange loss	155	56	89	103
Impairment losses on:				
- an associate	-	-	80	-
- goodwill on consolidation	-	-	500	-
- trade, progress billing & other receivables ⁽⁴⁾	78	152	2,163	2,290
- property, plant and equipment	-	-	1,072	-
Loss on:				
- dilution of interest in a subsidiary	-	-	125	-
- disposal of a jointly-controlled entity	-	-	-	239
Property, plant and equipment written off	18	(8)	77	289
Share option expense	567	741	1,606	1,526

⁽³⁾ Intangible asset of S\$235,000 arose from the acquisition of a subsidiary, Wisescan Engineering Services Pte Ltd, in April 2008. The intangible asset was amortised to the Consolidated Income Statement over its estimated useful life of 12 months.

⁽⁴⁾ Management reviews the Group's accounts receivables position on a periodic basis. Impairment losses are made after assessing the probability of recovering the accounts receivables. These impairment losses do not relate to any major customers and there are no further outstanding balances which have not been impaired. Amounts written back are cash recovered from receivables previously impaired.

D Finance income

Included in the Group's finance income for the 9 months ended 31 December 2007 was gain on disposal of quoted shares, available-for-sale, of S\$443,000. Quoted shares were issued to the Group as a result of settlements of debts owing from customers in previous years.

E Income tax expense

	Group			
	3rd Quarter ended		9 months ended	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
	S\$'000	S\$'000	S\$'000	S\$'000
Current tax expense				
- current period	3,388	3,638	11,587	8,942
- under provided in prior years	-	-	949	-
	3,388	3,638	12,536	8,942
Deferred tax income				
- current period	(1,058)	(17)	(2,203)	(140)
- over provided in prior years	-	-	(581)	-
	(1,058)	(17)	(2,784)	(140)
	2,330	3,621	9,752	8,802

Notes to the Consolidated Income Statement (cont'd)

F Interested person transactions

Interested person transactions carried out during the 3rd Quarter ended 31 December 2008 under Chapter 9 of the Listing Manual are as follows:-

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
(1) Tat Hong Heavyequipment (Pte.) Ltd.	Nil	S\$1,698,000
(1) Tat Hong Plant Leasing Pte Ltd	Nil	S\$127,000

Note:

(1) Tat Hong Heavyequipment (Pte.) Ltd. and Tat Hong Plant Leasing Pte Ltd are related corporations of TH Investments Pte Ltd, a substantial shareholder of the Company.

Notes to the Balance Sheets

1 Property, plant and equipment

The movement in property, plant and equipment is as follows:

	Group	
	As at 31/12/2008 S\$'000	As at 31/03/2008 S\$'000
<u>Cost</u>		
Opening balance	139,956	67,167
Additions	48,267	59,498
Assets acquired through business combinations	2,000	10,766
Disposals	(2,361)	(3,064)
Write-offs	(239)	(1,838)
Reclassification from inventories	-	3,235
Transfer from assets held for sale	-	4,331
Translation differences on consolidation	(539)	(139)
Closing balance	<u>187,084</u>	<u>139,956</u>
<u>Accumulated depreciation and impairment losses</u>		
Opening balance	37,544	23,197
Additions	16,458	16,660
Disposals	(804)	(758)
Write-offs	(162)	(1,541)
Translation differences on consolidation	(68)	(14)
Closing balance	<u>52,968</u>	<u>37,544</u>
Carrying amount	<u>134,116</u>	<u>102,412</u>

2 Inventories

	Group	
	As at 31/12/2008 S\$'000	As at 31/03/2008 S\$'000
Equipment and machinery held for sale	15,048	8,134
Spare parts	2,601	1,964
Materials on sites	8,617	9,788
	<u>26,266</u>	<u>19,886</u>
Allowance for inventory obsolescence	(579)	(255)
	<u>25,687</u>	<u>19,631</u>

3 Excess of progress billings over construction work-in-progress

	Group	
	As at 31/12/2008 S\$'000	As at 31/03/2008 S\$'000
Cost incurred and attributable profit	981,591	749,677
Allowance for foreseeable losses	(1,374)	(1,327)
	<u>980,217</u>	<u>748,350</u>
Progress billings	(988,884)	(750,907)
	<u>(8,667)</u>	<u>(2,557)</u>

Notes to the Balance Sheets (cont'd)

4 Aggregate amount of Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31/12/2008	
Secured	Unsecured
S\$'000	S\$'000
49,401	-

As at 31/03/2008	
Secured	Unsecured
S\$'000	S\$'000
42,647	-

Amount repayable after one year

As at 31/12/2008	
Secured	Unsecured
S\$'000	S\$'000
42,644	-

As at 31/03/2008	
Secured	Unsecured
S\$'000	S\$'000
42,347	-

Details of any collateral

The Group's total secured borrowings amounted to \$92.0 million (31 March 2008: \$85.0 million) and consist of convertible notes, finance leases, loans and borrowings. Included in the secured borrowings repayable within one year were bills payable amounted to \$15.4 million (31 March 2008: \$15.4 million).

The overdrafts, bills payable, finance lease liabilities and bank loan facilities are secured by legal mortgages over the Group's assets listed below and corporate guarantees by the Company and a related corporation:

- a) Property, plant and machinery;
- b) Industrial lands held for development and for sale;
- c) Fixed and floating charge on assets and shares of certain subsidiaries; and
- d) Fixed deposits of a subsidiary.

Notes to the Statement of Changes in Equity

1 Changes in the Company's Share Capital

During the 3 months ended 31 December 2008, the Company completed the buy-back of 150,000 ordinary shares, representing 0.01% of the issued share capital on that date. As at 31 December 2008, the Company held 150,000 (30 September 2008: Nil) of its own uncanceled shares.

The total number of ordinary shares issued (excluding treasury shares) as at 31 December 2008 was 1,210,246,197 shares (30 September 2008: 1,210,396,197 shares).

As at 31 December 2008, there were outstanding share options for conversion into 93,729,000 ordinary shares (30 September 2008: 95,599,000 ordinary shares) under the CSC Executive Share Option Scheme 2004.

As at 31 December 2008, there were outstanding Convertible Notes for conversion into 17,736,416 ordinary shares (30 September 2008: 17,736,416 ordinary shares) at a conversion price of S\$0.045 per share.

Audit

The Group's figures have not been audited or reviewed by the Company's auditors.

Accounting Policies

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 March 2008.

Earnings Per Share

(a) Basic earnings per ordinary share

	3rd Quarter ended		9 months ended	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Based on the weighted average number of ordinary shares on issue	0.62 cents	1.06 cents	2.82 cents	2.76 cents
	3rd Quarter ended		9 months ended	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
	S\$'000	S\$'000	S\$'000	S\$'000
Basic earnings per ordinary share is based on: Net profit attributable to ordinary shareholders	7,515	11,843	33,467	30,981

Earnings Per Share (cont'd)

	3rd Quarter ended		9 months ended	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
	Number of shares			
Weighted average number of: Issued ordinary shares at beginning of the period	1,210,396,197	1,119,217,635	1,147,864,781	1,112,391,951
Ordinary shares issued arising from exercise of share options	1,273,913	-	34,971,593	-
Ordinary shares issued arising from conversion of convertible notes	-	-	5,998,133	8,940,928
Number of treasury shares held	(68,478)	-	(22,909)	-
Weighted average number of ordinary shares used to compute earnings per ordinary share	1,211,601,632	1,119,217,635	1,188,811,598	1,121,332,879

(b) Diluted earnings per ordinary share

	3rd Quarter ended		9 months ended	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
On a fully diluted basis	0.61 cents	0.98 cents	2.74 cents	2.54 cents
	3rd Quarter ended		9 months ended	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
	S\$'000	S\$'000	S\$'000	S\$'000
Diluted earnings per ordinary share is based on:				
Net profit attributable to ordinary shareholders	7,515	11,843	33,467	30,981
Imputed interest on convertible notes, net of tax effect	10	38	51	107
Net profit attributable to ordinary shareholders adjusted for the effect of conversion of convertible notes	7,525	11,881	33,518	31,088

For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the dilutive share options and convertible notes, with the potential ordinary shares weighted for the period outstanding.

The effect of the exercise of share options and convertible notes on the weighted average number of ordinary shares in issue is as follows:-

	3rd Quarter ended		9 months ended	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
	Number of shares			
Weighted average number of: Ordinary shares used in the calculation of basic earnings per ordinary share	1,211,601,632	1,119,217,635	1,188,811,598	1,121,332,879
Potential ordinary shares issuable under exercise of share options	809,564	38,875,396	3,246,849	39,644,557
Potential ordinary shares issuable under conversion of convertible notes	17,736,421	57,797,244	29,474,704	62,004,739
Weighted average number of ordinary issued and potential shares assuming full conversion	1,230,147,617	1,215,890,275	1,221,533,151	1,222,982,175

Net Asset Value

	<u>As at 31/12/2008</u>	<u>As at 31/03/2008</u>
<u>Group</u>		
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	13.4 cents	11.6 cents
<u>Company</u>		
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	6.8 cents	7.0 cents

The net asset value per ordinary share is calculated based on net asset value over the total number of ordinary shares issued (excluding treasury shares) as at 31 December 2008 of 1,210,246,197 shares (31 March 2008: 1,147,864,781 shares).

Dividend

No dividend has been declared/recommended in the current financial period and the corresponding period of the immediately preceding financial year.

Confirmation

The directors of the Company confirm that to the best of their knowledge, nothing has come to their attention which may render the financial results for the period under review to be false or misleading in any material respect.

By Order of the Board

Lee Quang Loong
Company Secretary
6 February 2009