

THIRD QUARTER RESULTS * FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT

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* Asterisks denote mandatory information

Name of Announcer *	CSC HOLDINGS LTD
Company Registration No.	199707845E
Announcement submitted on behalf of	CSC HOLDINGS LTD
Announcement is submitted with respect to *	CSC HOLDINGS LTD
Announcement is submitted by *	Lee Quang Loong
Designation *	Company Secretary
Date & Time of Broadcast	14-Feb-2012 17:16:41
Announcement No.	00051

>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

For the Financial Period Ended *	31-12-2011
Description	Please refer to the attachments.
Attachments	 PR_3Q12.pdf  3Q12.pdf Total size = 229K (2048K size limit recommended)



CSC HOLDINGS LIMITED

(Company Registration Number: 199707845E)

Financial Statements

for the Third Quarter Ended

31 December 2011

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Review of the Performance of the Group

CONSOLIDATED INCOME STATEMENT

2Q12 – for the 3 months ended 30 September 2011

3Q12 – for the 3 months ended 31 December 2011

3Q11 – for the 3 months ended 31 December 2010

9M12 – for the 9 months ended 31 December 2011

9M11 – for the 9 months ended 31 December 2010

Review of Results for the Third Quarter Ended 31 December 2011

	3Q12 \$'000	2Q12 \$'000	Change %	3Q11 \$'000	Change %	9M12 \$'000	9M11 \$'000	Change %
				(Restated)			(Restated)	
Revenue	118,624	110,707	7.2	93,520	26.8	310,333	245,358	26.5
Gross Profit	11,720	12,144	(3.5)	12,248	(4.3)	28,633	31,752	(9.8)
Other Income	2,620	66	N.M.	1,026	155.4	4,964	3,421	45.1
Operating Expenses	(7,548)	(6,254)	20.7	(7,280)	3.7	(20,070)	(19,145)	4.8
Net Finance Expenses	(1,221)	(462)	N.M.	(910)	34.2	(2,527)	(2,559)	(1.3)
Share of (Loss)/Profit of Associates	(39)	(194)	(79.9)	(533)	(92.7)	301	512	(41.2)
Loss on Remeasurement to Fair Value of Pre-existing Interest of a Subsidiary	(3,312)	-	N.A.	-	N.A.	(3,312)	-	N.A.
Share of (Loss)/Profit of a Jointly-Controlled Entity	(13)	82	N.M.	-	N.A.	56	-	N.A.
Profit before Income Tax	2,207	5,382	N.M.	4,551	(51.5)	8,045	13,981	(42.5)
Profit for the period	1,801	4,910	(63.3)	3,763	(52.1)	7,256	11,516	(37.0)

Revenue

	3Q12 \$'000	2Q12 \$'000	Change %	3Q11 \$'000	Change %	9M12 \$'000	9M11 \$'000	Change %
				(Restated)			(Restated)	
Revenue								
- Foundation Engineering Business	118,624	94,600	25.4	93,520	26.8	294,226	245,358	19.9
- Industrial Property Development	-	16,107	(100.0)	-	N.A.	16,107	-	N.A.
	118,624	110,707	7.2	93,520	26.8	310,333	245,358	26.5

The Group recorded a 26.5% growth in Revenue to \$310.3 million in 9M12, compared to 9M11. 3Q12 Revenue for the Group was 26.8% higher at \$118.6 million over the previous corresponding period. There was also an improvement, quarter-on-quarter, in 3Q12 in the Group's core business revenue over 2Q12 by 25.4%.

The growth in Revenue was due to the large number of foundation engineering contracts secured and executed during the financial period under review. In addition, in accordance with the adoption of INT FRS 115 *Agreements for the Construction of Real Estate*, the Group recognised Revenue of \$16.1 million from its industrial property development project in 9M12.

Gross Profit and Gross Profit Margins (GPM)

	3Q12 \$'000	2Q12 \$'000	Change %	3Q11 \$'000	Change %	9M12 \$'000	9M11 \$'000	Change %
Gross Profit				(Restated)			(Restated)	
- Foundation Engineering Business	11,720	8,467	38.4	12,261	(4.4)	24,956	31,882	(21.7)
- Industrial Property Development	-	3,677	(100.0)	(13)	(100.0)	3,677	(130)	N.M.
	11,720	12,144	(3.5)	12,248	(4.3)	28,633	31,752	(9.8)

Gross Profit for 9M12 was \$28.6 million, representing a GPM of 9.2%. The Group recorded Gross Profit of \$11.7 million and a GPM of 9.9% for 3Q12. Gross Profit from the Group's core business increased sequentially by 38.4%, reflecting higher productivity from the execution of jobs.

While revenue for 9M12 was higher than 9M11, this was offset by lower prices for the contracts secured in 9M12. These depressed prices reflect the challenging operating environment and keen industry competition.

Other Income

Other Income for 9M12 was \$5.0 million, 45.1% higher than 9M11. Other income for 3Q12 was \$2.6 million, a 155.4% improvement over 3Q11.

The increase in Other Income in 9M12 was mainly due to recorded profits arising from the disposal of older equipment following the Group's fleet renewal exercise and a \$1.9 million recognition of negative goodwill arising from the acquisition of several new subsidiaries. Negative goodwill of \$1.9 million was recognised in accordance with Financial Reporting Standard (FRS) 103 *Business Combinations*, out of which \$0.6 million of negative goodwill was a result of a step acquisition of a subsidiary in 3Q12.

Operating Expenses

	3Q12 \$'000	2Q12 \$'000	Change %	3Q11 \$'000	Change %	9M12 \$'000	9M11 \$'000	Change %
Other Operating Expenses	7,512	6,460	16.3	(Restated) 7,219	4.1	20,104	(Restated) 18,605	8.1
Amortisation of Intangible Assets	3	211	(98.6)	-	N.A.	214	-	N.A.
Impairment Losses Made on:								
- Associates	-	5	(100.0)	62	(100.0)	10	62	(83.9)
- Goodwill on Consolidation	37	74	(50.0)	-	N.A.	111	-	N.A.
Exchange (Gain)/Loss	(4)	504	N.M.	(1)	N.M.	631	478	32.0
Impairment Losses Reversed on Receivables (Changi MotorSports Hub project)	-	(1,000)	(100.0)	-	N.A.	(1,000)	-	N.A.
Net Operating Expenses	7,548	6,254	20.7	7,280	3.7	20,070	19,145	4.8
Other Operating Expenses /Revenue	6.3%	5.8%		7.7%		6.5%	7.6%	

Other Operating Expenses rose 8.1% for 9M12 and 4.1% for 3Q12 on higher staff costs, and in tandem with the increase in revenue and the consolidation of recently acquired subsidiaries. Sequentially, Other Operating Expenses increased by 16.3% due to consolidation of a newly acquired subsidiary.

Other Operating Expenses to Revenue Ratio for 9M12 was 6.5% (9M11: 7.6%) and 6.3% for 3Q12 (3Q11: 7.7%) respectively. The improvements reflect higher productivity within the Group, as the growth in revenue was achieved on a smaller increase in overheads.

Net Finance Expenses

	3Q12 \$'000	2Q12 \$'000	Change %	3Q11 \$'000	Change %	9M12 \$'000	9M11 \$'000	Change %
Interest Income	41	59	(30.5)	(Restated) 4	N.M.	139.0	(Restated) 99	40.4
Interest Expenses	(1,107)	(973)	13.8	(859)	28.9	(2,939.0)	(2,647)	11.0
Net Interest Expenses	(1,066)	(914)	11.5	(855)	24.7	(2,800.0)	(2,548)	9.9
Imputed Interest on Non-Current Assets/Liabilities	(155)	452	N.M.	(55)	N.M.	273.0	(11)	N.M.
Net Finance Expenses	(1,221)	(462)	(45.3)	(910)	34.2	(2,527.0)	(2,559)	(1.3)

The Group recorded Net Interest Expenses of \$1.1 million in 3Q12 and \$2.8 million in 9M12, versus \$0.9 million in 3Q11 and \$2.5 million in 9M11 respectively. The higher borrowing costs was due to the increased business activities and from investment in new equipment.

Net Finance Expenses increased sequentially mainly due to a reversal of imputed interest on non-current assets / liabilities recognised in accordance to FRS 39 *Financial Instruments: Recognition and Measurement*.

Share of (Loss)/Profit of Associates

The Group's share of losses from associates was \$0.04 million for 3Q12 (3Q11: share of losses of \$0.5 million).

Share of profits from associates for 9M12 was \$0.3 million (9M11: share of profits of \$0.5 million).

Loss on Remeasurement to Fair Value of Pre-existing Interest of a Subsidiary

In accordance with FRS 103 *Business Combinations*, a loss on remeasurement was recognised in 3Q12, arising from a step acquisition in a subsidiary.

Profit for the period

Taking into account the above, the Group recorded net profit of \$7.3 million for 9M12 and \$1.8 million for 3Q12.

Net Earnings Per Share was 0.44 cents for 9M12 and 0.09 cents for 3Q12.

STATEMENT OF FINANCIAL POSITION

Property, Plant and Equipment

Property, plant and equipment of the Group stood at \$188.1 million as at 31 December 2011 (31 March 2011: \$138.3 million).

For 9M12, the Group invested \$31.4 million in new equipment to replace older equipment. The consolidation of several new subsidiaries which were acquired in the nine months ended 31 December 2011 also contributed to the increase in the Group's assets.

Net Current Assets

As at 31 December 2011, net current assets for the Group was \$68.4 million (31 March 2011: 64.6 million). The current ratio (current assets / current liabilities) was 1.32 (31 March 2011: 1.39).

Inventories of the Group rose to \$58.8 million (31 March 2011: \$36.8 million), as a result of the higher level of business activity in 9M12.

The Group recognised the sale of its sole development property in 2Q12. Following this, there were no further development properties in the Group's balance sheet as at 31 December 2011.

Trade and Other Receivables amounted to \$203.4 million (31 March 2011: \$152.4 million) while Trade and Other Payables was \$144.9 million (31 March 2011: \$131.0 million), reflecting the higher level of business activity in 9M12.

Borrowings

The Group's Borrowings as at 31 December 2011 stood at \$159.4 million (31 March 2011: \$98.4 million). For the nine months ended 31 December 2011, the Group had drawn down \$68.0 million in term loans and hire purchase loans to acquire new equipment while repaying \$32.6 million of its existing loans. In addition, Borrowings also increased as a result of consolidating several recently acquired subsidiaries as at 31 December 2011. Consequently, the Group's debt-to-equity ratio rose to 0.81 (31 March 2011: 0.53).

Equity and Net Asset Value

Shareholders equity grew 5.8% to \$197.0 million as at 31 December 2011, due to the accumulation of profits.

Following this, the Group's Net Asset Value per ordinary share was 16.1 cents (31 March 2011: 15.2 cents).

CASH FLOW

	3Q12 \$'000	2Q12 \$'000	Change %	3Q11 \$'000	Change %	9M12 \$'000	9M11 \$'000	Change %
				(Restated)			(Restated)	
Cash Flow from Operating Activities	3,275	19,659	(83.3)	12,952	(74.7)	3,606	37,307	(90.3)
Cash Flow from Investing Activities	3,920	(4,478)	N.M.	(5,890)	N.M.	(5,838)	(7,835)	(25.5)
Cash Flow from Financing Activities	(14,485)	(5,604)	N.M.	(12,835)	12.9	(9,732)	(34,009)	(71.4)
Cash and Cash Equivalents	12,290	19,737	(37.7)	22,265	(44.8)	12,290	22,265	(44.8)

Cash Flow from Operating Activities

Net Operating Cash Inflow for 3Q12 and 9M12 were \$3.3 million and \$3.6 million respectively (3Q11: \$13.0 million and 9M11: \$37.3 million). Sequentially, 3Q12 Net Operating Cash Inflow also decreased as compared to 2Q12.

The drop in 3Q12 Net Operating Cash Inflow was mainly due to timing differences between collection for works performed and payments made to suppliers and subcontractors. A surge in 3Q12 activities led to higher amount of trade receivables at 31 December 2011 which were not due for collection. Meanwhile, the Group continued to pay the suppliers and subcontractors promptly.

Cash Flow from Investing Activities

The Group registered Net Cash Inflow from Investing Activities of \$3.9 million for 3Q12 as compared to Net Cash Outflow of \$5.9 million for 3Q11. Net Cash Outflow from Investing Activities for 9M12 were \$5.8 million (9M11: \$7.8 million). Net Investing Cash Inflow for 3Q12 was also higher than the preceding quarter.

The improved cash flow was due to the proceeds arising from the sale of an associated company, compared to a payment of \$6.0 million for the acquisition of a 30% stake in Double Wong Foundation Pte. Ltd. in 3Q11.

Cash Flow from Financing Activities

The Group registered Net Cash Outflow from Financing Activities of \$14.5 million for 3Q12 (3Q11: \$12.8 million). The Group drew down \$5.7 million in loans (3Q11: \$2.2 million) while repaying \$16.9 million in 3Q12 (3Q11: \$13.3 million). The loans were mainly drawn down to fund the increase in activities and for new equipment purchases in 3Q12.

Net Cash Outflow from Financing Activities for 9M12 was significantly lower than the \$34.0 million recorded in 9M11, in view of the higher dividend payment in 9M11. Lower net repayment of term loans and hire purchase loans of \$4.8 million (9M11: \$21.9 million) also contributed to the lower Net Financing Cash Outflow in 9M12.

Outlook

The Group expects the business environment to be relatively challenging going forward.

Global economic conditions are expected to be subdued in 2012, with market outlook clouded by increased uncertainty and financial volatility. The Group is mindful that an economic slowdown in the US and Eurozone will have ripple effects on the demand for construction services in Asia. Building and Construction Authority (BCA) expects lower demand for construction services in 2012 (\$21 billion - \$27 billion), compared to 2011 (\$32 billion).

Nevertheless, the Group anticipates that infrastructure projects such as Land Transport Authority's Mass Rapid Transit ("MRT") Downtown Line 3 and Tuas West Extension line, Public Utility Board's large diameter services tunnels and Housing Development Board's building programme should sustain demand for the Group's services. Over in Malaysia, the Group is also actively pursuing contracts for foundation work related to the Greater Klang Valley MRT line.

Going forward, the Group's strong fundamentals and competitive position in the industry should enable it to overcome the challenges in 2012. The Group continues to build resilience through a disciplined approach towards cost and operations management, and contract tenders.

Leveraging on its track record and capabilities, the Group has secured foundation contracts worth in excess of \$340 million in 9M12. These include foundation works for the construction of residential, infrastructure, institutional and industrial developments in both the public and private sectors. As at 13 February 2012, the Group's order book was approximately \$260 million (2 November 2011: \$220 million).

In view of the above, the Board of Directors expects the Group to remain profitable for the financial year ending 31 March 2012.

Consolidated Income Statement for the 3rd Quarter ended 31 December 2011

	Note	Group			Group		
		3rd Quarter ended		Change	9 months ended		Change
		31-Dec-11	31-Dec-10 (Restated)		31-Dec-11	31-Dec-10 (Restated)	
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue		118,624	93,520	26.8	310,333	245,358	26.5
Cost of sales	A	(106,904)	(81,272)	31.5	(281,700)	(213,606)	31.9
Gross profit		11,720	12,248	(4.3)	28,633	31,752	(9.8)
Other income	B	2,620	1,026	155.4	4,964	3,421	45.1
Distribution expenses		(266)	(309)	(13.9)	(803)	(1,259)	(36.2)
Administrative expenses		(315)	(318)	(0.9)	(847)	(803)	5.5
Other operating expenses	C	(6,967)	(6,653)	4.7	(18,420)	(17,083)	7.8
Results from operating activities		6,792	5,994	13.3	13,527	16,028	(15.6)
Finance income		(114)	(40)	N.M.	412	99	N.M.
Finance expenses		(1,107)	(870)	27.2	(2,939)	(2,658)	10.6
Net finance expenses		(1,221)	(910)	34.2	(2,527)	(2,559)	(1.3)
Share of (loss)/profit of associates		(39)	(533)	(92.7)	301	512	(41.2)
Loss on remeasurement to fair value of pre-existing interest of a subsidiary		(3,312)	-	N.A.	(3,312)	-	N.A.
Share of (loss)/profit of a jointly-controlled entity		(13)	-	N.A.	56	-	N.A.
Profit before income tax		2,207	4,551	(51.5)	8,045	13,981	(42.5)
Income tax expense	D	(406)	(788)	N.M.	(789)	(2,465)	(68.0)
Profit for the period		1,801	3,763	(52.1)	7,256	11,516	(37.0)
Attributable to:							
Owners of the Company		1,057	3,259	(67.6)	5,353	8,966	(40.3)
Non-controlling interests		744	504	47.6	1,903	2,550	(25.4)
Profit for the period		1,801	3,763		7,256	11,516	

Gross profit margin	9.9%	13.1%	9.2%	12.9%
Net profit margin	1.5%	4.0%	2.3%	4.7%

Consolidated Statement of Comprehensive Income for the 3rd Quarter ended 31 December 2011

	Group			Group		
	3rd Quarter ended		Change	9 months ended		Change
	31-Dec-11	31-Dec-10 (Restated)		31-Dec-11	31-Dec-10 (Restated)	
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the period	1,801	3,763	(52.1)	7,256	11,516	(37.0)
Other comprehensive income/(expense)						
Translation differences relating to financial statements of foreign subsidiaries and associates	248	(366)	N.M.	(316)	(191)	65.4
Translation differences relating to liquidation of interests in a subsidiary	-	-	N.A.	141	-	N.A.
Other comprehensive income/(expense) for the period, net of tax	248	(366)	N.M.	(175)	(191)	(8.4)
Total comprehensive income for the period	<u>2,049</u>	<u>3,397</u>	(39.7)	<u>7,081</u>	<u>11,325</u>	(37.5)
Attributable to:						
Owners of the Company	1,301	2,909	(55.3)	5,174	8,798	(41.2)
Non-controlling interests	748	488	53.3	1,907	2,527	(24.5)
Total comprehensive income for the period	<u>2,049</u>	<u>3,397</u>		<u>7,081</u>	<u>11,325</u>	

Statement of Financial Position as at 31 December 2011

DESCRIPTION	Note	Group		Company	
		31-Dec-11	31-Mar-11 (Restated)	31-Dec-11	31-Mar-11
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment	1	188,062	138,344	-	2
Intangible assets		2,903	2,997	-	-
Investments in:					
- subsidiaries		-	-	68,297	62,691
- associates		-	9,477	-	9,722
- a jointly-controlled entity		879	205	-	-
Trade and other receivables		9,695	11,710	-	-
Other non-current assets		-	49	-	-
Deferred tax asset		-	-	27	27
		201,539	162,782	68,324	72,442
Current assets					
Inventories	2	58,763	36,774	-	-
Development properties		-	12,431	-	-
Assets classified as held for sale	1	-	63		
Trade and other receivables		203,365	152,405	43,996	48,506
Cash and cash equivalents		17,751	27,180	1,718	799
		279,879	228,853	45,714	49,305
Total assets		481,418	391,635	114,038	121,747

Statement of Financial Position as at 31 December 2011 (cont'd)

DESCRIPTION	Note	Group		Company	
		31-Dec-11	31-Mar-11 (Restated)	31-Dec-11	31-Mar-11
		\$'000	\$'000	\$'000	\$'000
Equity attributable to owners of the Company					
Share capital		64,953	64,953	64,953	64,953
Reserves		111,913	109,055	41,121	40,973
		176,866	174,008	106,074	105,926
Non-controlling interests		20,099	12,080	-	-
Total equity		196,965	186,088	106,074	105,926
Non-current liabilities					
Loans and borrowings		65,208	34,129	-	-
Deferred tax liabilities		7,768	7,167	-	-
		72,976	41,296	-	-
Current liabilities					
Loans and borrowings		59,362	27,756	-	-
Trade and other payables		144,943	131,031	7,864	15,798
Excess of progress billings over construction work-in-progress	3	5,534	3,623	-	-
Current tax payable		1,638	1,841	100	23
		211,477	164,251	7,964	15,821
Total liabilities		284,453	205,547	7,964	15,821
Total equity and liabilities		481,418	391,635	114,038	121,747

Consolidated Statement of Cash Flows for the 3rd Quarter ended 31 December 2011

	3rd Quarter ended		9 months ended	
	<u>31-Dec-11</u> \$'000	<u>31-Dec-10</u> \$'000 (Restated)	<u>31-Dec-11</u> \$'000	<u>31-Dec-10</u> \$'000 (Restated)
Cash flows from operating activities				
Profit for the period	1,801	3,763	7,256	11,516
Adjustments for:				
Allowance for foreseeable losses on construction work-in-progress	-	1	-	4
Amortisation of intangible assets	3	-	214	-
Depreciation of property, plant and equipment	6,321	6,034	17,970	17,627
Impairment losses (reversed)/made on:				
- property, plant and equipment	-	-	-	(1)
- goodwill on consolidation	37	-	111	-
- balance with an associate	-	62	10	62
- trade, progress billing and other receivables	169	164	(341)	(681)
Inventories written down/(back)	-	-	116	(341)
Gain on disposal of:				
- property, plant and equipment	(851)	(426)	(1,659)	(1,110)
- an associate	(19)	-	(19)	-
- other non-current asset	-	-	(5)	-
Gain on liquidation of a subsidiary	-	-	(112)	-
Negative goodwill arising from acquisition of subsidiaries	(1,164)	-	(1,878)	-
Net finance expenses	1,221	910	2,527	2,559
Property, plant and equipment written off	18	-	46	235
Share of loss/(profit) of associates	39	533	(301)	(512)
Loss on remeasurement to fair value of pre-existing interest of a subsidiary	3,312	-	3,312	-
Share of loss/(profit) of a jointly-controlled entity	13	-	(56)	-
Share option expense	-	-	-	180
Income tax expense	406	788	789	2,465
	11,306	11,829	27,980	32,003
Changes in working capital:				
Inventories	1,489	(2,271)	(51)	(6,310)
Development properties	-	-	12,431	-
Trade, progress billing and other receivables	(18,368)	(4,890)	(33,829)	(17,928)
Trade and other payables	9,298	8,594	(1,635)	30,581
Cash generated from operations	3,725	13,262	4,896	38,346
Income taxes paid	(492)	(314)	(1,429)	(1,138)
Interest received	42	4	139	99
Net cash generated from operating activities	3,275	12,952	3,606	37,307

Consolidated Statement of Cash Flows for the 3rd Quarter ended 31 December 2011 (cont'd)

	3rd Quarter ended		9 months ended	
	31-Dec-11	31-Dec-10	31-Dec-11	31-Dec-10
	\$'000	\$'000	\$'000	\$'000
		(Restated)		(Restated)
Cash flows from investing activities				
Dividend received from an associate	-	400	200	400
Purchase of property, plant and equipment	(3,813)	(753)	(9,287)	(6,795)
Proceeds from disposal of:				
- property, plant and equipment	3,489	463	5,508	2,969
- interest in an associate	4,152	-	4,152	-
- other non-current asset	-	-	53	-
Acquisition of:				
- subsidiaries, net of cash acquired	92	-	(5,846)	-
- an associate	-	(6,000)	-	(6,000)
Formation of a jointly-controlled entity	-	-	(618)	-
Decrease in non-trade amount owing by associates	-	-	-	1,591
Net cash generated from/(used in) investing activities	3,920	(5,890)	(5,838)	(7,835)
Cash flows from financing activities				
Interest paid	(1,110)	(936)	(2,890)	(2,766)
Dividend paid:				
- owners of the Company	(978)	(4,889)	(2,201)	(9,783)
- non-controlling interests of a subsidiary	-	-	(45)	(45)
Proceeds from:				
- bank loans	5,721	2,211	27,819	9,054
- issue of shares under share option scheme	-	-	-	68
- issue of redeemable preference shares	-	-	1,100	-
Purchase of treasury shares	(64)	(185)	(115)	(427)
Repayment of:				
- bank loans	(8,366)	(6,549)	(11,815)	(10,732)
- finance lease liabilities	(8,488)	(6,751)	(20,772)	(20,199)
Increase in non-trade amount owing to related corporations	1	724	495	723
(Increase)/Decrease in fixed deposits pledged	(1,201)	3,540	(1,308)	98
Net cash used in financing activities	(14,485)	(12,835)	(9,732)	(34,009)
Net decrease in cash and cash equivalents	(7,290)	(5,773)	(11,964)	(4,537)
Cash and cash equivalents at 1 October/1 April	19,737	28,198	24,481	27,139
Effect of exchange rate changes on balances held in foreign currencies	(157)	(160)	(227)	(337)
Cash and cash equivalents at 31 December	12,290	22,265	12,290	22,265
Comprising:				
Cash and cash equivalents	17,751	26,845	17,751	26,845
Bank overdrafts	(4,153)	(4,580)	(4,153)	(4,580)
	13,598	22,265	13,598	22,265
Less:				
Fixed deposits pledged as security for bank facilities	(1,308)	-	(1,308)	-
Cash and cash equivalents in the consolidated cash flow statement	12,290	22,265	12,290	22,265

Statements of Changes in Equity for the 3rd Quarter ended 31 December 2011

<u>Group</u>	Share capital	Capital reserve	Reserve for own shares	Reserve on consolidation	Share option reserve	Currency translation reserve	Accumulated profits	Total attributable to owners of the Company	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 October 2010, as previously reported	64,633	17,798	(534)	116	3,921	(42)	96,487	182,379	11,240	193,619
Effect of change in accounting policy	-	-	-	-	-	-	(824)	(824)	-	(824)
At 1 October 2010, as restated	64,633	17,798	(534)	116	3,921	(42)	95,663	181,555	11,240	192,795
Total comprehensive income for the period										
Profit or loss	-	-	-	-	-	-	3,259	3,259	504	3,763
Other comprehensive expense										
Translation differences relating to financial statements of foreign subsidiaries and associates	-	-	-	-	-	(350)	-	(350)	(16)	(366)
Total other comprehensive expense	-	-	-	-	-	(350)	-	(350)	(16)	(366)
Total comprehensive income for the period	-	-	-	-	-	(350)	3,259	2,909	488	3,397
Transactions with owners, recorded directly in equity										
Purchase of treasury shares	-	-	(185)	-	-	-	-	(185)	-	(185)
Dividend paid in respect of financial year 2011										
- Interim dividend of 0.40 cents per share (tax-exempt one-tier)	-	-	-	-	-	-	(4,889)	(4,889)	-	(4,889)
Total transactions with owners	-	-	(185)	-	-	-	(4,889)	(5,074)	-	(5,074)
At 31 December 2010	64,633	17,798	(719)	116	3,921	(392)	94,033	179,390	11,728	191,118
At 1 October 2011	64,953	17,798	(986)	116	3,055	(1,016)	92,687	176,607	16,800	193,407
Total comprehensive income for the period										
Profit or loss	-	-	-	-	-	-	1,057	1,057	744	1,801
Other comprehensive income										
Translation differences relating to financial statements of foreign subsidiaries and associates	-	-	-	-	-	244	-	244	4	248
Total other comprehensive income	-	-	-	-	-	244	-	244	4	248
Total comprehensive income for the period	-	-	-	-	-	244	1,057	1,301	748	2,049
Transactions with owners, recorded directly in equity										
Effect of share options forfeited during the period	-	-	-	-	(54)	-	54	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	2,551	2,551
Purchase of treasury shares	-	-	(64)	-	-	-	-	(64)	-	(64)
Dividend paid in respect of financial year 2012										
- Interim dividend of 0.08 cents per share (tax-exempt one-tier)	-	-	-	-	-	-	(978)	(978)	-	(978)
Total transactions with owners	-	-	(64)	-	(54)	-	(924)	(1,042)	2,551	1,509
At 31 December 2011	64,953	17,798	(1,050)	116	3,001	(772)	92,820	176,866	20,099	196,965

Statements of Changes in Equity for the 3rd Quarter ended 31 December 2011 (cont'd)

<u>Company</u>	<u>Share capital</u>	<u>Capital reserve</u>	<u>Reserve for own shares</u>	<u>Share option reserve</u>	<u>Accumulated profits</u>	<u>Total</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 October 2010	64,633	17,798	(534)	3,921	23,644	109,462
Total comprehensive income for the period	-	-	-	-	814	814
Transactions with owners, recorded directly in equity						
Purchase of treasury shares	-	-	(185)	-	-	(185)
Dividend paid in respect of financial year 2011						
- Interim dividend of 0.40 cents per share (tax-exempt one-tier)	-	-	-	-	(4,889)	(4,889)
Total transactions with owners	-	-	(185)	-	(4,889)	(5,074)
At 31 December 2010	64,633	17,798	(719)	3,921	19,569	105,202
At 1 October 2011	64,953	17,798	(986)	3,055	19,591	104,411
Total comprehensive income for the period	-	-	-	-	2,705	2,705
Transactions with owners, recorded directly in equity						
Effect of share options forfeited during the period	-	-	-	(54)	54	-
Purchase of treasury shares	-	-	(64)	-	-	(64)
Dividend paid in respect of financial year 2012						
- Interim dividend of 0.08 cents per share (tax-exempt one-tier)	-	-	-	-	(978)	(978)
Total transactions with owners	-	-	(64)	(54)	(924)	(1,042)
At 31 December 2011	64,953	17,798	(1,050)	3,001	21,372	106,074

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 2011 to 31 December 2011 ("3Q12") with comparative figures for the 3 months period from 1 October 2010 to 31 December 2010 ("3Q11").

A Cost of sales

Group			
3rd Quarter ended		9 months ended	
31/12/2011	31/12/2010	31/12/2011	31/12/2010
S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)

Cost of sales includes the following items:

Allowance for foreseeable losses on construction work-in- progress	-	1	-	4
Depreciation of property, plant and equipment ⁽¹⁾	6,058	5,797	17,228	16,907
Inventories written down/(back)	-	-	116	(341)
Property, plant and equipment written off	-	-	28	193

⁽¹⁾ With effect from 1 April 2011, the estimated useful lives and residual values of certain plant and machinery were revised to better reflect the expected utility and residual values of these assets to the Group. The change in useful lives and residual values of these plant and machinery resulted in a decrease in the Group's depreciation charge of approximately \$581,000 and \$1,604,000 in 3Q12 and 9M12 respectively.

B Other income

Group			
3rd Quarter ended		9 months ended	
31/12/2011	31/12/2010	31/12/2011	31/12/2010
S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)

Other income includes the following items:

Gain on disposal of:				
- property, plant and equipment	851	426	1,659	1,110
- an associate	19	-	19	-
- other non-current asset	-	-	5	-
Gain on liquidation of a subsidiary	-	-	112	-
Negative goodwill arising from acquisition of subsidiaries	1,164	-	1,878	-

Notes to the Consolidated Income Statement (cont'd)

C Other operating expenses

	Group			
	3rd Quarter ended		9 months ended	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)
Other operating expenses includes the following items:				
Amortisation of intangible assets	3	-	214	-
Bad debts written off	-	-	-	1
Depreciation of property, plant and equipment	263	237	742	720
Exchange (gain)/loss	(4)	(1)	631	478
Impairment losses (reversed)/ made on:				
- property, plant and equipment	-	-	-	(1)
- goodwill on consolidation	37	-	111	-
- balance with an associate	-	62	10	62
- trade, progress billing & other receivables ⁽¹⁾	169	164	(341)	(681)
Property, plant and equipment written off	18	-	18	42
Share option expense	-	-	-	180

⁽¹⁾ The Group's accounts receivables position is reviewed on a periodic basis. Impairment losses are made where required, after assessing the probability of recovering the accounts receivables. These impairment losses do not relate to any major customers. Amounts written back are cash recovered from receivables previously impaired.

D Income tax expense

	Group			
	3rd Quarter ended		9 months ended	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)
Current tax expense				
- current period	224	189	1,225	1,357
- (over)/under provided in prior years	-	-	(233)	6
	<u>224</u>	<u>189</u>	<u>992</u>	<u>1,363</u>
Deferred tax expense/(credit)				
- current period	182	599	26	1,566
- over provided in prior years	-	-	(229)	(464)
	<u>182</u>	<u>599</u>	<u>(203)</u>	<u>1,102</u>
	<u>406</u>	<u>788</u>	<u>789</u>	<u>2,465</u>

Notes to the Consolidated Income Statement (cont'd)

E Interested person transactions

Interested person transactions carried out during the 3rd quarter ended 31 December 2011 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)	
	3rd Quarter ended 31/12/2011 S\$'000	9 months ended 31/12/2011 S\$'000	3rd Quarter ended 31/12/2011 S\$'000	9 months ended 31/12/2011 S\$'000
CMC Construction Pte Ltd ⁽¹⁾	Nil	Nil	518	682
Tat Hong Heavyequipment (Pte.) Ltd. ⁽¹⁾	Nil	Nil	3,083	7,697
Tat Hong Plant Leasing Pte Ltd ⁽¹⁾	Nil	Nil	194	194

Note:

⁽¹⁾ CMC Construction Pte Ltd, 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 Statement of Financial Position

1 Property, plant and equipment

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

	Group	
	As at 31/12/2011 \$'000	As at 31/03/2011 \$'000 (Restated)
<u>Cost</u>		
Opening balance	233,785	200,028
Additions	31,433	38,212
Assets acquired through business combinations	40,387	-
Disposals/Write-offs	(10,747)	(3,628)
Transfer to assets held for sale	(88)	(63)
Translation differences on consolidation	(400)	(765)
Closing balance	<u>294,370</u>	<u>233,784</u>
<u>Accumulated depreciation and impairment losses</u>		
Opening balance	95,440	73,932
Additions	17,970	23,803
Disposals/Write-offs	(7,003)	(2,091)
Translation differences on consolidation	(99)	(204)
Closing balance	<u>106,308</u>	<u>95,440</u>
Carrying amount	<u>188,062</u>	<u>138,344</u>

2 Inventories

	Group	
	As at 31/12/2011 \$'000	As at 31/03/2011 \$'000 (Restated)
Equipment and machinery held for sale	45,243	22,486
Spare parts	7,466	4,432
Construction materials on sites	6,054	9,856
	<u>58,763</u>	<u>36,774</u>

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

	Group	
	As at 31/12/2011 \$'000	As at 31/03/2011 \$'000 (Restated)
Cost incurred and attributable profit	559,485	558,906
Progress billings	(565,019)	(562,529)
	<u>(5,534)</u>	<u>(3,623)</u>

Notes to the Statement of Financial Position (cont'd)

4 Aggregate amount of Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31/12/2011	
Secured	Unsecured
\$'000	\$'000
33,963	60,217

As at 31/03/2011	
Secured	Unsecured
\$'000	\$'000
19,466	44,804

Amount repayable after one year

As at 31/12/2011	
Secured	Unsecured
\$'000	\$'000
56,265	8,943

As at 31/03/2011	
Secured	Unsecured
\$'000	\$'000
28,520	5,609

Details of any collateral

The Group's total borrowings were \$159.4 million (31 March 2011: \$98.4 million) and consist of finance leases and bank loans. Included in the borrowings repayable within one year were bills payable amounting to \$34.8 million (31 March 2011: \$36.5 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 related corporations:

- a) \$80,585,000 (31 March 2011: \$39,945,000) in respect of plant and machinery acquired under finance leases;
- b) \$9,625,000 (31 March 2011: \$8,041,000) which are secured by a charge over the leasehold land and properties; and
- c) \$18,000 (31 March 2011: \$Nil) which are secured by a fixed deposit.

Notes to the Statement of Changes in Equity

1 Changes in the Company's Share Capital

As at 31 December 2011, the issued and fully paid-up share capital of the Company was 1,230,243,725 (31 March 2011: 1,230,243,725) ordinary shares.

During the 3 months ended 31 December 2011, the Company completed the buy-back of 660,000 ordinary shares. As at 31 December 2011, the Company held 8,000,000 (31 December 2010: 5,400,000) of its own uncancelled shares. There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the 3 months ended 31 December 2011.

The total number of ordinary shares issued (excluding treasury shares) as at 31 December 2011 was 1,222,243,725 (31 March 2011: 1,223,373,725) ordinary shares.

As at 31 December 2011, there were outstanding share options for conversion into 54,970,000 (31 December 2010: 71,030,000) ordinary shares under the CSC Executive Share Option Scheme 2004.

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 2011, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial periods beginning on or after 1 April 2011.

Among the changes to Financial Reporting Standards (FRS) are INT FRS 115 *Agreements for the Construction of Real Estate* and FRS 24 *Related Party Disclosures* which has become effective for the Group's financial statements for the year ending 31 March 2012.

INT FRS 115 clarifies when revenue and related expenses from a sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Contracts which are not classified as construction contracts in accordance with FRS 11 *Construction Contracts* can only be accounted for under the percentage of completion ("POC") method if the entity continuously transfers to the buyer control and the significant risks and rewards of ownership of the work-in-progress in its current state as construction progresses.

Prior to the adoption of INT FRS 115, the Group's accounting policy for the industrial property development was to recognise revenue on POC method which is an allowed alternative method under Recommended Accounting Practice 11 *Pre-completion Contracts for the Sale of Development Property* ("RAP 11"). RAP 11 was withdrawn with effect from 1 January 2011 following the adoption of INT FRS 115.

For the financial year ending 31 March 2012, the Group adopted INT FRS 115, under which revenue and its associated costs and profits from the Group's industrial property development are recognised only upon completion of the project. This change in accounting policy has been applied retrospectively, and the comparatives have been restated.

Accounting Policies (cont'd)

Accordingly, the effects of the Group's financial statements arising from the adoption of INT FRS 115 are as follows:

	3rd Quarter ended 31/12/2010 \$'000	9 months ended 31/12/2010 \$'000
<u>Consolidated Income Statement</u>		
Decrease in revenue	636	4,832
Decrease in cost of sales	(501)	(3,729)
Decrease in profit before income tax	135	1,103
Decrease in income tax expense	(20)	(164)
		<u>As at 31/03/2011 \$'000</u>
<u>Statement of Financial Position</u>		
Decrease in accumulated profits		1,189
Increase in development properties		4,349
Increase in trade and other payables		(5,571)
Decrease in current tax payable		33

Revised FRS 24 modifies the definition of a related party and simplifies disclosures for government-related entities. The Group does not expect any significant impact on its financial position or performance.

Earnings Per Share

(a) Basic earnings per ordinary share

	3rd Quarter ended		9 months ended	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	(Restated)		(Restated)	
Based on the weighted average number of ordinary shares on issue	0.09 cents	0.27 cents	0.44 cents	0.73 cents
	3rd Quarter ended		9 months ended	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	S\$'000		S\$'000	
	(Restated)		(Restated)	
Basic earnings per ordinary share is based on:				
Net profit attributable to ordinary shareholders	1,057	3,259	5,353	8,966
	3rd Quarter ended		9 months ended	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	Number of shares			
	(Restated)		(Restated)	
Weighted average number of:				
Issued ordinary shares at beginning of the period	1,230,243,725	1,227,243,725	1,230,243,725	1,226,243,725
Ordinary shares issued arising from exercise of share options	-	-	-	774,545
Ordinary shares held as treasury shares	(7,871,739)	(4,727,717)	(7,273,236)	(3,718,364)
Weighted average number of ordinary shares used to compute earnings per ordinary share	1,222,371,986	1,222,516,008	1,222,970,489	1,223,299,906

Earnings Per Share (cont'd)

(b) Diluted earnings per ordinary share

	3rd Quarter ended		9 months ended	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	(Restated)		(Restated)	
On a fully diluted basis	0.09 cents	0.27 cents	0.44 cents	0.73 cents
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	S\$'000		S\$'000	
	(Restated)		(Restated)	
Diluted earnings per ordinary share is based on: Net profit attributable to ordinary shareholders	1,057	3,259	5,353	8,966

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, with the potential ordinary shares weighted for the period outstanding.

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

	3rd Quarter ended		9 months ended	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	(Restated)		(Restated)	
	Number of shares			
Weighted average number of: Ordinary shares used in the calculation of basic earnings per ordinary share	1,222,371,986	1,222,516,008	1,222,970,489	1,223,299,906
Potential ordinary shares issuable under exercise of share options	-	3,751,760	-	3,432,639
Weighted average number of ordinary issued and potential shares assuming full conversion	1,222,371,986	1,226,267,768	1,222,970,489	1,226,732,545

Net Asset Value

	As at	As at
	31/12/2011	31/03/2011
		(Restated)
Group Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	16.1 cents	15.2 cents
Company Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	8.7 cents	8.7 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 2011 of 1,222,243,725 (31 March 2011: 1,223,373,725) ordinary 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
Chief Financial Officer / Company Secretary
14 February 2012