

## THIRD QUARTER RESULTS \* FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT


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\* Asterisks denote mandatory information

<b>Name of Announcer *</b>	CSC HOLDINGS LTD
<b>Company Registration No.</b>	199707845E
<b>Announcement submitted on behalf of</b>	CSC HOLDINGS LTD
<b>Announcement is submitted with respect to *</b>	CSC HOLDINGS LTD
<b>Announcement is submitted by *</b>	Lee Quang Loong
<b>Designation *</b>	Company Secretary
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## &gt;&gt; ANNOUNCEMENT DETAILS

The details of the announcement start here ...

<b>For the Financial Period Ended *</b>	31-12-2012
<b>Description</b>	Please refer to the attachment.
<b>Attachments</b>	 3Q13.pdf Total size = <b>180K</b> (2048K size limit recommended)



# **CSC HOLDINGS LIMITED**

(Company Registration Number: 199707845E)

## **Financial Statements**

**for the Third Quarter Ended**

**31 December 2012**

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## Review of the Performance of the Group

### CONSOLIDATED INCOME STATEMENT

2Q13 – for the 3 months ended 30 September 2012

3Q13 – for the 3 months ended 31 December 2012

3Q12 – for the 3 months ended 31 December 2011

9M13 – for the 9 months ended 31 December 2012

9M12 – for the 9 months ended 31 December 2011

### Review of Results for the Third Quarter Ended 31 December 2012

	3Q13 \$'000	2Q13 \$'000	Change %	3Q12 \$'000	Change %	9M13 \$'000	9M12 \$'000	Change %
				(Restated)			(Restated)	
Revenue	130,531	144,217	(9.5)	118,624	10.0	403,770	310,333	30.1
Gross Profit	9,177	10,055	(8.7)	11,720	(21.7)	28,850	28,633	0.8
Other Income	1,176	1,497	(21.4)	3,276	(64.1)	3,857	5,620	(31.4)
Operating Expenses	(7,914)	(7,957)	(0.5)	(7,548)	4.8	(23,006)	(20,070)	14.6
Net Finance Expenses	(1,201)	(1,261)	(4.8)	(1,221)	(1.6)	(4,418)	(2,527)	74.8
Share of (Loss)/Profit of Associates	-	-	N.A.	(39)	(100.0)	-	301	(100.0)
Loss on Remeasurement to Fair Value of Pre-existing Interest of a Subsidiary	-	-	N.A.	(2,697)	(100.0)	-	(2,697)	(100.0)
Share of Profit/(Loss) of a Jointly-Controlled Entity	16	35	(54.3)	(13)	N.M.	173	56	N.M.
Profit before Tax	1,254	2,369	(47.1)	3,478	(63.9)	5,456	9,316	(41.4)
Profit for the period	681	2,264	(69.9)	3,100	(78.0)	4,738	8,555	(44.6)

### Revenue

The Group recorded Revenue of \$130.5 million for 3Q13, which was a 10.0% increase from \$118.6 million recorded in 3Q12. Revenue for 9M13 rose 30.1% to \$403.8 million, compared to \$310.3 million reported in 9M12. The increase was mainly due to contribution from the Group's recent acquisitions, and a relatively higher level of business activities.

Sequentially, the Group recorded a decline of 9.5% in Revenue to \$130.5 million as compared to 2Q13, as business activities in 2Q13 were much stronger.

### Gross Profit and Gross Profit Margins (GPM)

In 3Q13, the Group recorded a Gross Profit of \$9.2 million (3Q12: \$11.7 million) and GPM of 7.0% (3Q12: 9.9%) respectively. Gross Profit and GPM for 9M13 were \$28.9 million (9M12: \$28.6 million) and 7.1% (9M12: 9.2%) respectively.

Despite the year-on-year growth in revenue, Gross Profit for 9M13 remained unchanged while GPM for 9M13 contracted as the highly competitive operating environment continued to exert pressure on tender prices, even as operating costs remained high.

Sequentially, Gross Profit declined, in line with the decline in Revenue as compared to 2Q13.

### Other Income

The Group recorded Other Income of \$1.2 million in 3Q13 (3Q12: \$3.3 million) and \$3.9 million in 9M13 (9M12: \$5.6 million). Other Income was significantly lower as compared to the previous corresponding periods as a result of negative goodwill of \$2.0 million and \$2.7 million recognised in 3Q12 and 9M12 respectively.

Sequentially, Other Income was lower as compared to 2Q13 in line with the reduction in business activities in 3Q13.

## Operating Expenses

	3Q13 \$'000	2Q13 \$'000	Change %	3Q12 \$'000	Change %	9M13 \$'000	9M12 \$'000	Change %
Other Operating Expenses	7,650	8,384	(8.8)	7,515	1.8	23,526	20,318	15.8
Impairment Losses Made on:								
- Associates	-	-	N.A.	-	N.A.	-	10	(100.0)
- Goodwill on Consolidation	-	-	N.A.	37	(100.0)	-	111	(100.0)
Exchange Loss/(Gain)	264	(427)	N.M.	(4)	N.M.	(520)	631	N.M.
	7,914	7,957	(0.5)	7,548	4.8	23,006	21,070	9.2
Impairment Losses Reversed on Receivables (Changi MotorSports Hub project)	-	-	N.A.	-	N.A.	-	(1,000)	(100.0)
<b>Net Operating Expenses</b>	<b>7,914</b>	<b>7,957</b>	<b>(0.5)</b>	<b>7,548</b>	<b>4.8</b>	<b>23,006</b>	<b>20,070</b>	<b>14.6</b>
<b>Other Operating Expenses /Revenue</b>	<b>5.9%</b>	<b>5.8%</b>		<b>6.3%</b>		<b>5.8%</b>	<b>6.5%</b>	

Other Operating Expenses for 3Q13 and 9M13 were only marginally higher as compared to the previous corresponding periods despite the recent consolidation of the Group's newly acquired subsidiaries. The Group continued to keep a tight rein on costs in an effort to remain lean in the current competitive environment.

Other Operating Expenses to Revenue ratio for 3Q13 improved to 5.9% from 6.3% in 3Q12. For 9M13, Other Operating Expenses to Revenue ratio was 5.8% (9M12: 6.5%). This improvement in Other Operating Expenses to Revenue ratio reflects higher productivity achieved by the Group.

Sequentially, Other Operating Expenses to Revenue ratio for 3Q13 was unchanged, compared to the 5.8% recorded in 2Q13.

## Net Finance Expenses

	3Q13 \$'000	2Q13 \$'000	Change %	3Q12 \$'000	Change %	9M13 \$'000	9M12 \$'000	Change %
Interest Income	35	49	(28.6)	41	(14.6)	130	139	(6.5)
Interest Expenses	(1,189)	(1,125)	5.7	(1,107)	7.4	(3,872)	(2,939)	31.7
<b>Net Interest Expenses</b>	<b>(1,154)</b>	<b>(1,076)</b>	<b>7.2</b>	<b>(1,066)</b>	<b>8.3</b>	<b>(3,742)</b>	<b>(2,800)</b>	<b>33.6</b>
Imputed Interest on Non- Current Assets/Liabilities	(47)	(185)	(74.6)	(155)	(69.7)	(676)	273	N.M.
<b>Net Finance Expenses</b>	<b>(1,201)</b>	<b>(1,261)</b>	<b>(4.8)</b>	<b>(1,221)</b>	<b>(1.6)</b>	<b>(4,418)</b>	<b>(2,527)</b>	<b>74.8</b>

Net Interest Expenses for 3Q13 was \$1.2 million (3Q12: \$1.1 million). Net Interest Expenses for 9M13 was \$3.7 million compared to \$2.8 million for 9M12.

The increase was due to the consolidation of interest expenses from newly acquired subsidiaries and loans drawn down to finance the higher level of business activities.

Sequentially, Net Interest Expenses was slightly higher as compared to \$1.1 million recorded in 2Q13.

## Profit for the period

Taking into consideration the above, the Group recorded a net profit of \$0.7 million in 3Q13 (3Q12: \$3.1 million) and \$4.7 million in 9M13 (9M12: \$8.6 million) respectively. Earnings per share were 0.06 cents in 3Q13 (3Q12: 0.20 cents) and 0.22 cents in 9M13 (9M12: 0.55 cents) respectively.

Sequentially, net profit and earnings per share for 3Q13 also declined compared to 2Q13, in line with the decrease in business activities.

## **STATEMENT OF FINANCIAL POSITION**

### **Property, Plant and Equipment**

As at 31 December 2012, the net book value of Property, Plant and Equipment amounted to \$190.1 million (31 March 2012: \$188.4 million). During the period under review, the Group acquired new plant and equipment amounting to \$28.3 million, and disposed of old plant and equipment with carrying values amounting to \$3.9 million. Depreciation for 9M13 was \$22.4 million (9M12: \$18.0 million).

### **Net Current Assets**

Net Current Assets of the Group as at 31 December 2012 stood at \$67.9 million (31 March 2012: \$65.7 million) with a current ratio (current assets/current liabilities) of 1.27 (31 March 2012: 1.29).

The Group's Inventories were higher, at \$69.1 million, as at 31 December 2012 (31 March 2012: \$61.8 million) in line with the higher level of business activities recorded during 9M13.

As at 31 December 2012, Trade and Other Receivables were \$235.6 million (31 March 2012: \$211.9 million) while Trade and Other Payables were \$139.5 million (31 March 2012: \$129.4 million).

### **Borrowings**

Total Borrowings of the Group as at 31 December 2012 were \$164.8 million (31 March 2012: \$149.3 million). This represents a debt over equity ratio of 0.82 (31 March 2012: 0.75).

In 9M13, the Group drew down \$30.6 million and \$28.5 million of bank loans and hire purchase loans respectively, for working capital purposes and to finance the acquisition of equipment and inventories during the period. In 9M13, repayment of bank loans and hire purchase obligations amounted to \$15.7 million and \$29.9 million respectively.

### **Equity and Net Asset Value**

As at 31 December 2012, total Equity was \$201.1 million (31 March 2012: \$200.3 million).

Net Asset Value per ordinary share as at 31 December 2012 was 16.5 cents (31 March 2012: 16.4 cents).

## CASH FLOW

	3Q13 \$'000	2Q13 \$'000	Change %	3Q12 \$'000	Change %	9M13 \$'000	9M12 \$'000	Change %
				(Restated)			(Restated)	
<b>Cash Flow from Operating Activities</b>	18,908	(1,139)	N.M.	(7,742)	N.M.	23,849	5,797	N.M.
<b>Cash Flow from Investing Activities</b>	(4,617)	(5,266)	(12.3)	3,920	N.M.	(11,418)	(5,838)	95.6
<b>Cash Flow from Financing Activities</b>	(13,745)	4,351	N.M.	(3,468)	N.M.	(19,554)	(11,923)	64.0
<b>Cash and Cash Equivalents</b>	8,332	7,692	8.3	12,290	(32.2)	8,332	12,290	(32.2)

### **Cash Flow from Operating Activities**

The Group recorded a Net Cash Inflow from Operating Activities of \$18.9 million in 3Q13 as compared to a Net Cash Outflow of \$7.7 million in 3Q12. The increase arose mainly from the conversion of the Group's increased net working capital in previous quarter into cash in 3Q13.

For 9M13, Net Cash Inflow from Operating Activities was \$23.8 million, a significant increase over \$5.8 million recorded in 9M12.

Sequentially, the Group recorded an increase in Net Cash Inflow of \$20.0 million as a result of the conversion of the Group's increased net working capital in previous quarter into cash.

### **Cash Flow from Investing Activities**

Net Cash Outflow from Investing Activities for 3Q13 was \$4.6 million, as compared to an inflow of \$3.9 million in the previous corresponding period. This was mainly due to two main activities undertaken in 3Q12, namely, a significant cash inflow of \$4.2 million from the sale of an associate and \$3.5 million in proceeds from the sale of older plant and equipment, compared to \$0.6 million of proceeds from the disposal of such plant and equipment in 3Q13.

Net Cash used in Investing Activities amounted to \$11.4 million in 9M13 (9M12: \$5.8 million).

Sequentially, the Group recorded a decrease in Net Cash Outflow from Investing Activities, reflecting the lower volume of business activities undertaken in the quarter under review.

### **Cash Flow from Financing Activities**

The Group's Net Cash Outflow from Financing Activities was \$13.7 million in 3Q13 (3Q12: \$3.5 million). The Group made net repayment of bank loans and hire purchase loans of \$11.9 million in the current quarter (3Q12: \$0.1 million).

For 9M13, the Group recorded a Net Cash Outflow from Financing Activities of \$19.6 million (9M12: \$11.9 million) as the Group continued to pay down its bank loans and hire purchase loans.

Taking all the above into consideration, the Group recorded a net increase in Cash and Cash Equivalents of \$0.5 million in 3Q13 while a net decrease of \$7.1 million in 9M13.

## Outlook

The outlook for calendar year 2013 remains challenging. The Government has introduced cooling measures on residential and industrial properties in January 2013. As a result, private sector demand for construction services is uncertain. Public sector demand for construction services should remain reasonably healthy.

Despite a year-on-year improvement in cumulative revenue for the first three quarters of its financial year ending 31 March 2013, the Group's profit margins have been stagnant as competition among industry players continued to dampen tender prices. The influx of foreign companies coming into Singapore has further exerted pressure on the tender prices. In addition, the Government's measures to tighten the supply of foreign workers have led to higher wage costs. The Group is unable to pass on the additional costs to its clients due to the competitive environment. In this regard, the Group does not expect any margin growth for the ensuing quarter of 2013.

In the face of these challenges, the Group will actively seek out opportunities to grow its presence in the region, particularly in Malaysia and Thailand, to supplement its income from the Singapore market. It will also maintain a prudent approach towards projects to be undertaken and review its existing operations to streamline resources and tighten its rein on costs.

As at 6 February 2013, the Group's order book stands at approximately \$220 million (6 November 2012: \$260 million) with the bulk of the order book to be completed within the next few quarters.

Barring unforeseen circumstances, the Board of Directors expects the Group to be profitable for the current financial year.



## Consolidated Income Statement for the 3rd Quarter ended 31 December 2012

	Note	Group			Group		
		3rd Quarter ended		Change	9 months ended		Change
		31-Dec-12	31-Dec-11 (Restated)		31-Dec-12	31-Dec-11 (Restated)	
		\$'000	\$'000	%	\$'000	\$'000	%
<b>Revenue</b>		130,531	118,624	10.0	403,770	310,333	30.1
Cost of sales	A	(121,354)	(106,904)	13.5	(374,920)	(281,700)	33.1
<b>Gross profit</b>		9,177	11,720	(21.7)	28,850	28,633	0.8
Other income	B	1,176	3,276	(64.1)	3,857	5,620	(31.4)
Distribution expenses		(255)	(266)	(4.1)	(538)	(803)	(33.0)
Administrative and other operating expenses	C	(7,659)	(7,282)	5.2	(22,468)	(19,267)	16.6
<b>Results from operating activities</b>		2,439	7,448	(67.3)	9,701	14,183	(31.6)
Finance income		35	41	(14.6)	130	412	(68.4)
Finance expenses		(1,236)	(1,262)	(2.1)	(4,548)	(2,939)	54.7
<b>Net finance expenses</b>		(1,201)	(1,221)	(1.6)	(4,418)	(2,527)	74.8
Share of (loss)/profit of associates		-	(39)	(100.0)	-	301	(100.0)
Loss on remeasurement to fair value of pre-existing interest of a subsidiary		-	(2,697)	(100.0)	-	(2,697)	(100.0)
Share of profit/(loss) of a jointly-controlled entity		16	(13)	N.M.	173	56	N.M.
<b>Profit before tax</b>		1,254	3,478	(63.9)	5,456	9,316	(41.4)
Tax expense	D	(573)	(378)	51.6	(718)	(761)	(5.7)
<b>Profit for the period</b>		681	3,100	(78.0)	4,738	8,555	(44.6)
<b>Attributable to:</b>							
Owners of the Company		684	2,397	(71.5)	2,727	6,693	(59.3)
Non-controlling interests		(3)	703	N.M.	2,011	1,862	8.0
<b>Profit for the period</b>		681	3,100		4,738	8,555	

Gross profit margin  
Net profit margin

7.0% 9.9%  
0.5% 2.6%

7.1% 9.2%  
1.2% 2.8%

## Consolidated Statement of Comprehensive Income for the 3rd Quarter ended 31 December 2012

	Group			Group		
	3rd Quarter ended		Change	9 months ended		Change
	31-Dec-12	31-Dec-11 (Restated)		31-Dec-12	31-Dec-11 (Restated)	
	\$'000	\$'000	%	\$'000	\$'000	%
<b>Profit for the period</b>	681	3,100	(78.0)	4,738	8,555	(44.6)
<b>Other comprehensive (expense)/income</b>						
Translation differences relating to financial statements of foreign subsidiaries, associates and a jointly-controlled entity	(151)	248	N.M.	(630)	(316)	99.4
Translation differences relating to liquidation of interests in a subsidiary	-	-	N.A.	-	141	(100.0)
<b>Other comprehensive (expense)/income for the period, net of tax</b>	(151)	248	N.M.	(630)	(175)	N.M.
<b>Total comprehensive income for the period</b>	530	3,348	(84.2)	4,108	8,380	(51.0)
<b>Attributable to:</b>						
Owners of the Company	537	2,641	(79.7)	2,135	6,514	(67.2)
Non-controlling interests	(7)	707	N.M.	1,973	1,866	5.7
<b>Total comprehensive income for the period</b>	530	3,348		4,108	8,380	

## Statement of Financial Position as at 31 December 2012

DESCRIPTION	Note	Group		Company	
		31-Dec-12	31-Mar-12 (Restated)	31-Dec-12	31-Mar-12
		\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>					
Property, plant and equipment	1	190,115	188,364	-	-
Intangible assets		2,369	2,417	-	-
Investments in:					
- subsidiaries		-	-	75,918	74,788
- an associate		-	-	-	-
- a jointly-controlled entity		1,035	861	-	-
Trade and other receivables		10,845	9,132	-	-
Deferred tax asset		-	-	27	27
		204,364	200,774	75,945	74,815
<b>Current assets</b>					
Inventories	2	69,094	61,760	-	-
Derivatives		-	80	-	-
Trade and other receivables		235,625	211,907	40,902	40,006
Cash and cash equivalents		13,435	19,921	263	622
		318,154	293,668	41,165	40,628
<b>Total assets</b>		522,518	494,442	117,110	115,443

**Statement of Financial Position as at 31 December 2012 (cont'd)**

DESCRIPTION	Note	Group		Company	
		31-Dec-12	31-Mar-12 (Restated)	31-Dec-12	31-Mar-12
		\$'000	\$'000	\$'000	\$'000
<b>Equity attributable to owners of the Company</b>					
Share capital		64,953	64,953	64,953	64,953
Reserves		114,827	114,433	44,037	45,703
		179,780	179,386	108,990	110,656
<b>Non-controlling interests</b>		21,272	20,958	-	-
<b>Total equity</b>		201,052	200,344	108,990	110,656
<b>Non-current liabilities</b>					
Loans and borrowings		64,234	58,373	-	-
Deferred tax liabilities		6,994	7,765	-	-
		71,228	66,138	-	-
<b>Current liabilities</b>					
Loans and borrowings		100,561	90,893	-	-
Derivatives		1	34	-	-
Trade and other payables		139,468	129,385	8,015	4,697
Excess of progress billings over construction work-in-progress	3	8,572	5,413	-	-
Current tax payable		1,636	2,235	105	90
		250,238	227,960	8,120	4,787
<b>Total liabilities</b>		321,466	294,098	8,120	4,787
<b>Total equity and liabilities</b>		522,518	494,442	117,110	115,443

## Consolidated Statement of Cash Flows for the 3rd Quarter ended 31 December 2012

	3rd Quarter ended		9 months ended	
	<u>31-Dec-12</u>	<u>31-Dec-11</u>	<u>31-Dec-12</u>	<u>31-Dec-11</u>
	\$'000	\$'000	\$'000	\$'000
		(Restated)		(Restated)
<b>Cash flows from operating activities</b>				
Profit for the period	681	3,100	4,738	8,555
Adjustments for:				
Amortisation of intangible assets	-	3	23	214
Depreciation of property, plant and equipment	7,841	6,321	22,388	17,970
Gain on disposal of:				
- property, plant and equipment	(474)	(688)	(1,582)	(1,496)
- an associate	-	(19)	-	(19)
- other non-current asset	-	-	-	(5)
Gain on liquidation of a subsidiary	-	-	-	(112)
Impairment losses (reversed)/made on:				
- property, plant and equipment	(300)	-	-	-
- goodwill on consolidation	-	37	-	111
- balance with an associate	-	-	-	10
- trade, progress billing and other receivables	376	169	579	(341)
Inventories written down	300	-	300	116
Inventories written off	-	-	403	-
Negative goodwill arising from acquisition of subsidiaries	-	(1,983)	-	(2,697)
Net finance expenses	1,201	1,221	4,418	2,527
Property, plant and equipment written off	5	18	7	46
Share of loss/(profit) of associates	-	39	-	(301)
Loss on remeasurement to fair value of pre-existing interest of a subsidiary	-	2,697	-	2,697
Share of (profit)/loss of a jointly-controlled entity	(16)	13	(173)	(56)
Tax expense	573	378	718	761
<b>Operating activities before working capital changes</b>	<b>10,187</b>	<b>11,306</b>	<b>31,819</b>	<b>27,980</b>
Changes in working capital:				
Inventories	3,828	1,489	2,426	(51)
Development properties	-	-	-	12,431
Trade, progress billing and other receivables	(809)	(18,368)	(23,408)	(33,829)
Trade and other payables	6,454	(1,719)	14,935	556
Cash generated/(used in) from operations	19,660	(7,292)	25,772	7,087
Taxes paid	(787)	(492)	(2,053)	(1,429)
Interest received	35	42	130	139
<b>Net cash generated from/(used in) operating activities</b>	<b>18,908</b>	<b>(7,742)</b>	<b>23,849</b>	<b>5,797</b>

## Consolidated Statement of Cash Flows for the 3rd Quarter ended 31 December 2012 (cont'd)

	3rd Quarter ended		9 months ended	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
	\$'000	\$'000	\$'000	\$'000
		(Restated)		(Restated)
<b>Cash flows from investing activities</b>				
Dividend received from an associate	-	-	-	200
Purchase of property, plant and equipment	(3,732)	(3,813)	(12,123)	(9,287)
Proceeds from disposal of:				
- property, plant and equipment	615	3,489	2,395	5,508
- interest in an associate	-	4,152	-	4,152
- other non-current asset	-	-	-	53
Acquisition of:				
- subsidiaries, net of cash acquired	-	92	-	(5,846)
- non-controlling interests	(1,500)	-	(1,690)	-
Formation of a jointly-controlled entity	-	-	-	(618)
<b>Net cash (used in)/generated from investing activities</b>	<b>(4,617)</b>	<b>3,920</b>	<b>(11,418)</b>	<b>(5,838)</b>
<b>Cash flows from financing activities</b>				
Interest paid	(1,192)	(1,110)	(3,727)	(2,890)
Dividend paid:				
- owners of the Company	(488)	(978)	(1,587)	(2,201)
- non-controlling interests of a subsidiary	-	-	(45)	(45)
Proceeds from:				
- bank loans	5,733	18,435	30,600	27,819
- capital contribution from non-controlling interests of a subsidiary	-	-	213	-
- issue of redeemable preference shares	-	-	-	1,100
Purchase of treasury shares	(163)	(64)	(291)	(115)
Repayment of:				
- bank loans	(7,716)	(10,062)	(15,674)	(13,511)
- finance lease liabilities	(9,919)	(8,488)	(29,943)	(20,772)
(Increase)/Decrease in fixed deposits pledged	-	(1,201)	900	(1,308)
<b>Net cash used in financing activities</b>	<b>(13,745)</b>	<b>(3,468)</b>	<b>(19,554)</b>	<b>(11,923)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>546</b>	<b>(7,290)</b>	<b>(7,123)</b>	<b>(11,964)</b>
Cash and cash equivalents at 1 October/1 April	7,692	19,737	15,667	24,481
Effect of exchange rate changes on balances held in foreign currencies	94	(157)	(212)	(227)
<b>Cash and cash equivalents at 31 December</b>	<b>8,332</b>	<b>12,290</b>	<b>8,332</b>	<b>12,290</b>
Comprising:				
Cash and cash equivalents	13,435	17,751	13,435	17,751
Bank overdrafts	(5,103)	(4,153)	(5,103)	(4,153)
	8,332	13,598	8,332	13,598
Less:				
Fixed deposits pledged as security for bank facilities	-	(1,308)	-	(1,308)
Cash and cash equivalents in the consolidated cash flow statement	8,332	12,290	8,332	12,290

## Statements of Changes in Equity for the 3rd Quarter ended 31 December 2012

Group	Share capital	Capital reserve	Reserve for own shares	Reserve on consolidation	Share option reserve	Currency translation reserve	Other 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	\$'000
At 1 October 2011	64,953	17,798	(986)	116	3,055	(1,016)	-	92,687	176,607	16,800	193,407
<b>Total comprehensive income for the period</b>											
Profit or loss	-	-	-	-	-	-	-	2,397	2,397	703	3,100
<b>Other comprehensive income</b>											
Translation differences relating to financial statements of foreign subsidiaries, associates and a jointly-controlled entity	-	-	-	-	-	244	-	-	244	4	248
Total other comprehensive income	-	-	-	-	-	244	-	-	244	4	248
Total comprehensive income for the period	-	-	-	-	-	244	-	2,397	2,641	707	3,348
<b>Transactions with owners, recorded directly in equity</b>											
Effect of share options forfeited during the period	-	-	-	-	(54)	-	-	54	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	3,166	3,166
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)	3,166	2,124
<b>At 31 December 2011</b>	<b>64,953</b>	<b>17,798</b>	<b>(1,050)</b>	<b>116</b>	<b>3,001</b>	<b>(772)</b>	<b>-</b>	<b>94,160</b>	<b>178,206</b>	<b>20,673</b>	<b>198,879</b>
At 1 October 2012	64,953	17,798	(1,178)	116	747	(1,173)	193	98,494	179,950	22,723	202,673
<b>Total comprehensive income for the period</b>											
Profit or loss	-	-	-	-	-	-	-	684	684	(3)	681
<b>Other comprehensive expense</b>											
Translation differences relating to financial statements of foreign subsidiaries, an associate and a jointly-controlled entity	-	-	-	-	-	(147)	-	-	(147)	(4)	(151)
Total other comprehensive expense	-	-	-	-	-	(147)	-	-	(147)	(4)	(151)
Total comprehensive income for the period	-	-	-	-	-	(147)	-	684	537	(7)	530
<b>Transactions with owners, recorded directly in equity</b>											
Effect of share options forfeited during the period	-	-	-	-	(15)	-	-	15	-	-	-
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	(56)	-	(56)	(1,444)	(1,500)
Purchase of treasury shares	-	-	(163)	-	-	-	-	-	(163)	-	(163)
Dividend paid in respect of financial year 2013 - Interim dividend of 0.04 cents per share (tax-exempt one-tier)	-	-	-	-	-	-	-	(488)	(488)	-	(488)
Total transactions with owners	-	-	(163)	-	(15)	-	(56)	(473)	(707)	(1,444)	(2,151)
<b>At 31 December 2012</b>	<b>64,953</b>	<b>17,798</b>	<b>(1,341)</b>	<b>116</b>	<b>732</b>	<b>(1,320)</b>	<b>137</b>	<b>98,705</b>	<b>179,780</b>	<b>21,272</b>	<b>201,052</b>

## Statements of Changes in Equity for the 3rd Quarter ended 31 December 2012 (cont'd)

<u>Company</u>	Share capital	Capital reserve	Reserve for own shares	Share option reserve	Accumulated profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
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
<b>Transactions with owners, recorded directly in equity</b>						
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)
<b>At 31 December 2011</b>	<b>64,953</b>	<b>17,798</b>	<b>(1,050)</b>	<b>3,001</b>	<b>21,372</b>	<b>106,074</b>
At 1 October 2012	64,953	17,798	(1,178)	747	27,615	109,935
Total comprehensive expense for the period	-	-	-	-	(279)	(279)
<b>Transactions with owners, recorded directly in equity</b>						
Effect of share options forfeited during the period	-	-	-	(15)	-	(15)
Purchase of treasury shares	-	-	(163)	-	-	(163)
Dividend paid in respect of financial year 2013						
- Interim dividend of 0.04 cents per share (tax-exempt one-tier)	-	-	-	-	(488)	(488)
Total transactions with owners	-	-	(163)	(15)	(488)	(666)
<b>At 31 December 2012</b>	<b>64,953</b>	<b>17,798</b>	<b>(1,341)</b>	<b>732</b>	<b>26,848</b>	<b>108,990</b>

Note:

Capital reserve

Capital Reduction Reserve

<u>Group</u>	<u>Company</u>
\$'000	\$'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 2012 to 31 December 2012 ("3Q13") with comparative figures for the 3 months period from 1 October 2011 to 31 December 2011 ("3Q12").

#### A Cost of sales

Group			
3rd Quarter ended		9 months ended	
31/12/2012	31/12/2011	31/12/2012	31/12/2011
\$'000	\$'000	\$'000	\$'000

Cost of sales includes the following items:

Depreciation of property, plant and equipment	7,582	6,058	21,603	17,228
Impairment losses reversed on property, plant and equipment	(300)	-	-	-
Inventories written down	300	-	300	116
Inventories written off	-	-	403	-
Property, plant and equipment written off	2	-	2	28

#### B Other income

Group			
3rd Quarter ended		9 months ended	
31/12/2012	31/12/2011	31/12/2012	31/12/2011
\$'000	\$'000	\$'000	\$'000
	(Restated)		(Restated)

Other income includes the following items:

Gain on disposal of:				
- property, plant and equipment	474	688	1,582	1,496
- an associate	-	19	-	19
- other non-current asset	-	-	-	5
Gain on liquidation of a subsidiary	-	-	-	112
Negative goodwill arising from acquisition of subsidiaries	-	1,983	-	2,697

## Notes to the Consolidated Income Statement (cont'd)

### C Administrative and other operating expenses

	Group			
	3rd Quarter ended		9 months ended	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	\$'000	\$'000	\$'000	\$'000
Administrative and other operating expenses includes the following items:				
Amortisation of intangible assets	-	3	23	214
Bad debts written off	1	-	134	-
Depreciation of property, plant and equipment	259	263	785	742
Exchange loss/(gain)	264	(4)	(520)	631
Impairment losses made/(reversed) on:				
- goodwill on consolidation	-	37	-	111
- balance with an associate	-	-	-	10
- trade, progress billing & other receivables <sup>(1)</sup>	376	169	579	(341)
Property, plant and equipment written off	3	18	5	18

<sup>(1)</sup> 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 Tax expense

	Group			
	3rd Quarter ended		9 months ended	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	\$'000	\$'000	\$'000	\$'000
		(Restated)		(Restated)
Current tax expense				
- current period	333	224	1,880	1,225
- over provided in prior years	(10)	-	(412)	(233)
	323	224	1,468	992
Deferred tax expense/(credit)				
- current period	(62)	154	(407)	(2)
- under/(over) provided in prior years	312	-	(343)	(229)
	250	154	(750)	(231)
	573	378	718	761

## Notes to the Consolidated Income Statement (cont'd)

### E Interested person transactions

Interested person transactions carried out during the 3rd quarter ended 31 December 2012 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 31/12/2012	9 months ended 31/12/2012	3rd Quarter ended 31/12/2012	9 months ended 31/12/2012
	\$'000	\$'000	\$'000	\$'000
CMC Construction Pte Ltd <sup>(1)</sup>	Nil	Nil	Nil	377
Tat Hong Heavyequipment (Pte.) Ltd. <sup>(1)</sup>	Nil	Nil	1,195	5,112
Tat Hong Thailand Co. Ltd <sup>(1)</sup>	Nil	Nil	Nil	442

Note:

<sup>(1)</sup> CMC Construction Pte Ltd, Tat Hong Heavyequipment (Pte.) Ltd. and Tat Hong Thailand Co., 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 31/12/2012 \$'000	As at 31/03/2012 \$'000 (Restated)
<u>Cost</u>		
Opening balance	299,779	233,785
Additions	28,326	39,969
Assets acquired through business combinations	-	41,041
Disposals/Write-offs	(5,700)	(14,540)
Reclassification from inventories	385	-
Transfer to assets held for sale	-	(88)
Translation differences on consolidation	(870)	(388)
Closing balance	<u>321,920</u>	<u>299,779</u>
<u>Accumulated depreciation and impairment losses</u>		
Opening balance	111,415	95,440
Depreciation charge	22,388	24,878
Impairment losses	-	389
Disposals/Write-offs	(1,761)	(9,166)
Translation differences on consolidation	(237)	(126)
Closing balance	<u>131,805</u>	<u>111,415</u>
Carrying amount	<u>190,115</u>	<u>188,364</u>

### 2 Inventories

	Group	
	As at 31/12/2012 \$'000	As at 31/03/2012 \$'000
Equipment and machinery held for sale	55,015	48,883
Spare parts	8,419	8,257
Construction materials on sites	5,660	4,620
	<u>69,094</u>	<u>61,760</u>

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

	Group	
	As at 31/12/2012 \$'000	As at 31/03/2012 \$'000
Cost incurred and attributable profit	876,046	613,399
Progress billings	(884,618)	(618,812)
	<u>(8,572)</u>	<u>(5,413)</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 31/12/2012	
Secured	Unsecured
\$'000	\$'000
36,386	64,175

As at 31/03/2012	
Secured	Unsecured
\$'000	\$'000
35,372	55,521

#### Amount repayable after one year

As at 31/12/2012	
Secured	Unsecured
\$'000	\$'000
53,953	10,281

As at 31/03/2012	
Secured	Unsecured
\$'000	\$'000
50,068	8,305

#### Details of any collateral

The Group's total borrowings were \$164.8 million (31 March 2012: \$149.3 million) and consist of finance leases and bank loans. Included in the borrowings repayable within one year were bills payable amounting to \$28.4 million (31 March 2012: \$30.7 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) \$72,486,000 (31 March 2012: \$73,671,000) in respect of plant and machinery acquired under finance leases;
- b) \$12,404,000 (31 March 2012: \$8,892,000) which are secured by a charge over the leasehold land and properties; and
- c) \$5,449,000 (31 March 2012: \$2,877,000) which are secured by a mortgage over the plant and machinery.

## Notes to the Statement of Changes in Equity

### 1 Changes in the Company's Share Capital

As at 31 December 2012, the issued and fully paid-up share capital of the Company was 1,230,243,725 (31 March 2012: 1,230,243,725) ordinary shares.

During the 3 months ended 31 December 2012, the Company completed the buy-back of 1,495,000 ordinary shares. As at 31 December 2012, the Company held 10,755,000 (31 December 2011: 8,000,000) 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 2012.

The total number of ordinary shares issued (excluding treasury shares) as at 31 December 2012 was 1,219,488,725 (31 March 2012: 1,222,243,725) ordinary shares.

As at 31 December 2012, there were outstanding share options for conversion into 29,710,000 (31 December 2011: 54,970,000) 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 2012, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning on or after 1 April 2012.

The following revised Financial Reporting Standards (FRS) are relevant to the Group:

Amendments to FRS 12	<i>Income Taxes: Deferred Tax Recovery of Underlying Assets</i>
Amendments to FRS 107	<i>Disclosures – Transfer of Financial Assets</i>

The adoption of the amendments to FRS does not expect any significant impact on the Group's financial position or performance.

The Group has not applied the following accounting standards (including its consequential amendments) and interpretations that have been issued but will be effective for the financial year beginning on or after 1 April 2013:

Amendments to FRS 1	<i>Presentation of Items of Other Comprehensive Income</i>
FRS 19	<i>Employee Benefits</i>
FRS 27	<i>Separate Financial Statements</i>
FRS 28	<i>Investments in Associates and Joint Ventures</i>
FRS 110	<i>Consolidated Financial Statements</i>
FRS 112	<i>Disclosure of Interests in Other Entities</i>
FRS 113	<i>Fair Value Measurement</i>

None of the above is expected to have a significant impact on the Group's financial position or performance.

## Accounting Policies (cont'd)

### Finalisation of fair value adjustments arising from the acquisition of a subsidiary

On 28 October 2011, the Group obtained control of a subsidiary and made provisional assessment of the recognised amounts of assets acquired and liabilities assumed at the acquisition date. The Group has completed the purchase price allocation during the second quarter ended 30 September 2012. The adjustments were made retrospectively to the value of assets and liabilities at 31 March 2012. The effect of the finalisation of fair value adjustments on the comparatives of the Group's financial statements are as follows:

	<b>3rd Quarter ended 31/12/2011 \$'000</b>	<b>9 months ended 31/12/2011 \$'000</b>
<u>Consolidated Income Statement</u>		
Increase in other income	(656)	(656)
Decrease in loss on remeasurement to fair value of pre-existing interest of a subsidiary	(615)	(615)
Decrease in tax expense	(28)	(28)
Decrease in profit attributable to non-controlling interests	(41)	(41)
		<b>As at 31/03/2012 \$'000</b>
<u>Statement of Financial Position</u>		
Increase in property, plant and equipment		654
Increase in accumulated profits		(380)
Increase in non-controlling interests		(163)
Increase in deferred tax liabilities		(111)

## Earnings Per Share

### (a) Basic earnings per ordinary share

	<b>3rd Quarter ended</b>		<b>9 months ended</b>	
	<b>31/12/2012</b>	<b>31/12/2011</b>	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>(Restated)</b>		<b>(Restated)</b>	
Based on the weighted average number of ordinary shares on issue	0.06 cents	0.20 cents	0.22 cents	0.55 cents
	<b>3rd Quarter ended</b>		<b>9 months ended</b>	
	<b>31/12/2012</b>	<b>31/12/2011</b>	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>\$'000</b>		<b>\$'000</b>	
	<b>(Restated)</b>		<b>(Restated)</b>	
Basic earnings per ordinary share is based on:				
Net profit attributable to ordinary shareholders	684	2,397	2,727	6,693
	<b>3rd Quarter ended</b>		<b>9 months ended</b>	
	<b>31/12/2012</b>	<b>31/12/2011</b>	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>Number of shares</b>			
Weighted average number of:				
Issued ordinary shares at beginning of the period	1,230,243,725	1,230,243,725	1,230,243,725	1,230,243,725
Ordinary shares held as treasury shares	(9,736,467)	(7,871,739)	(8,859,182)	(7,273,236)
Weighted average number of ordinary shares used to compute earnings per ordinary share	1,220,507,258	1,222,371,986	1,221,384,543	1,222,970,489

## Earnings Per Share (cont'd)

### (b) Diluted earnings per ordinary share

	3rd Quarter ended		9 months ended	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	(Restated)		(Restated)	
On a fully diluted basis	0.06 cents	0.20 cents	0.22 cents	0.55 cents
	3rd Quarter ended		9 months ended	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	(\$'000)		(\$'000)	
	(Restated)		(Restated)	
Diluted earnings per ordinary share is based on:				
Net profit attributable to ordinary shareholders	684	2,397	2,727	6,693

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	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	Number of shares			
Weighted average number of:				
Ordinary shares used in the calculation of basic earnings per ordinary share	1,220,507,258	1,222,371,986	1,221,384,543	1,222,970,489
Potential ordinary shares issuable under exercise of share options	-	-	-	-
Weighted average number of ordinary issued and potential shares assuming full conversion	1,220,507,258	1,222,371,986	1,221,384,543	1,222,970,489

## Net Asset Value

	As at	As at
	31/12/2012	31/03/2012
		(Restated)
<b>Group</b>		
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	16.5 cents	16.4 cents
<b>Company</b>		
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	8.9 cents	9.1 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 2012 of 1,219,488,725 (31 March 2012: 1,222,243,725) 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**  
**7 February 2013**