



# **CSC HOLDINGS LIMITED**

(Company Registration Number: 199707845E)

**Financial Statements**

**& Dividend Announcement**

**for the Twelve Months Ended**

**31 March 2010**

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## Review of the Performance of the Group

### CONSOLIDATED INCOME STATEMENT

4Q09 – for the 3 months ended 31 March 2009  
3Q10 – for the 3 months ended 31 December 2009  
4Q10 – for the 3 months ended 31 March 2010  
FY10 – for the 12 months ended 31 March 2010  
FY09 – for the 12 months ended 31 March 2009

#### Review of Results for the Year Ended 31 March 2010

	4Q10 \$'000	3Q10 \$'000	Change %	FY10 \$'000	FY09 \$'000	Change %
<b>Revenue</b>	61,066	72,262	(15.5)	285,059	568,097	(49.8)
<b>Gross Profit</b>	6,480	10,681	(39.3)	46,819	93,866	(50.1)
<b>Other Income</b>	318	12	N.M.	1,028	3,951	(74.0)
<b>Operating Expenses</b>	(2,119)	(4,634)	(54.3)	(17,039)	(39,936)	(57.3)
<b>Net Finance Expenses</b>	(509)	(700)	(27.3)	(3,652)	(4,726)	(22.7)
<b>Profit before Income Tax</b>	5,518	6,352	(13.1)	30,025	52,935	(43.3)
<b>Profit for the period/year</b>	6,238	5,019	24.3	26,034	42,463	(38.7)

#### Revenue and Profitability

The Group recorded revenue of \$61.1 million (3Q10: \$72.3 million) for 4Q10. This is a 15.5% drop as compared to the previous quarter.

The Group recently secured projects in excess of \$120 million in the infrastructure, residential and industrial sectors in 4Q10. These projects which commenced in the later part of 4Q10 did not contribute largely to the results of 4Q10 revenue but is expected to contribute more significantly to the subsequent quarters.

Revenue for FY10 was \$285.1 million (FY09: \$568.1 million), reflecting the soft demand for most of the year.

In spite of this, profit after tax for 4Q10 rose 24.3% sequentially to \$6.2 million (3Q10: \$5.0 million), resulting in a corresponding increase in net margin to 10.2% (3Q10: 6.9%). Similarly, net profit margin for the year improved to 9.1% (FY09: 7.5%) on profit after tax of \$26.0 million (FY09: \$42.5 million), as the Group benefited from improved work efficiencies.

Basic earnings per share was 0.47 cents and 1.97 cents respectively for 4Q10 and FY2010 (3Q10: 0.36 cents and FY09: 3.36 cents).

#### Operating Expenses

In response to the contraction in demand during the year, the Group made conscious efforts to streamline and improve its work processes. This resulted in significant cost savings for FY10, as reflected in the 57.3% decline in operating expenses to \$17.0 million (FY09: \$39.9 million). Operating expenses for 4Q10 fell 54.3% to \$2.1 million from \$4.6 million in 3Q10. Overall, operating expenses to revenue ratio declined to 6.0% (FY09: 7.0%) for FY10.

### **Finance Expenses**

	<b>4Q10 \$'000</b>	<b>3Q10 \$'000</b>	<b>Change %</b>	<b>FY10 \$'000</b>	<b>FY09 \$'000</b>	<b>Change %</b>
<b>Interest Income</b>	7	13	(46.2)	39	46	(15.2)
<b>Interest Expenses</b>	(923)	(894)	3.2	(3,719)	(4,931)	(24.6)
<b>Imputed Interest on non-current retention sums</b>	407	181	124.9	28	159	(82.4)
	(509)	(700)	(27.3)	(3,652)	(4,726)	(22.7)

Net finance expenses for FY10 decreased to \$3.7 million (FY09: \$4.7 million) in line with the net repayment of bank borrowings during the year. Bank borrowings as at 31 March 2010 was lower at \$72.3 million, as compared to \$82.1 million as at 31 March 2009.

Net finance expenses for 4Q10 was also lower reflecting the repayments made over the quarter under review.

### **Share of Profit/(Loss) of Associates**

Our associated company which specialises in the manufacture and trading of pre-cast concrete products for the construction industry contributed \$2.9 million to the Group's share of profits in FY10, in contrast to the \$0.2 million share of losses recorded in FY09. The improvement in the results was driven principally by demand from the public housing sector and other residential projects.

### **Taxation**

In 4Q10, the Group had a tax credit of \$0.7 million after a re-assessment of the Group's tax position for FY10.

## **BALANCE SHEETS**

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

As of 31 March 2010, property, plant and equipment for the Group was \$126.1 million (31 March 2009: \$128.4 million). During the year, the Group invested in \$17.0 million worth of equipment while incurring a depreciation charge of \$21.3 million in FY10.

### **Non-current Trade and Other Receivables**

Non-current trade and other receivables represent retention sums, which are due for collection after 12 months from the balance sheet date. As of 31 March 2010, there were non current receivables amounting to \$15.0 million (31 March 2009: \$18.8 million). Some of these retention sums have been reclassified to current as these have become due and payable within 12 months.

### **Net Current Assets**

Net current assets increased to \$73.4 million as of 31 March 2010 (31 March 2009: \$63.8 million) and the current ratio (current assets / current liabilities) has improved to 1.52 as of 31 March 2010, versus 1.35 as of 31 March 2009.

### **Inventories and Receivables**

As of 31 March 2010, the Group's inventories decreased to \$23.8 million, compared to \$26.3 million as at 31 March 2009.

Trade and Other Receivables was \$146.3 million (31 March 2009: \$178.4 million). This represents a 18.0% decrease.

Inventory levels and trade and other receivables were lower, in view of the lower business activities in FY10.

### **Borrowings**

The Group's borrowings decreased to \$72.3 million from \$82.1 million as at 31 March 2009. As a result, the Group's debt to equity ratio improved to 0.38 as at 31 March 2010, from 0.49 as at 31 March 2009. The decrease was mainly due to net repayment of bank borrowings during the period under review.

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

As at 31 March 2010, total equity was \$189.8 million, compared to \$168.9 million as at 31 March 2009. This increase was mainly due to the accumulation of profits for the financial year.

Group accumulated profits increased to \$94.8 million from \$77.0 million. The net increase of \$17.8 million took into consideration the payment of dividends amounting to \$7.0 million during the year.

As at 31 March 2010, Net Asset Value per ordinary share improved to 15.5 cents (31 March 2009: 13.8 cents).

## CASH FLOW

	4Q10 \$'000	3Q10 \$'000	Change %	FY10 \$'000	FY09 \$'000	Change %
<b>Cash Flow from Operating Activities</b>	10,404	13,274	(21.6)	46,171	76,015	(39.3)
<b>Cash Flow from Investing Activities</b>	(4,389)	(1,941)	126.1	(11,525)	(20,922)	(44.9)
<b>Cash Flow from Financing Activities</b>	(9,107)	(6,292)	44.7	(33,230)	(49,523)	(32.9)
<b>Cash and Cash Equivalents</b>	27,139	30,225	(10.2)	27,139	25,749	5.4

As at 31 March 2010, the Group had \$27.1 million of cash and cash equivalents (31 March 2009: \$25.7 million). The Group was able to maintain this level of liquidity despite the reduction in business activity and the significant reduction in its bank borrowings.

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

The Group registered a sequential quarter-on-quarter decline in operating cash inflow to \$10.4 million in 4Q10, from \$13.3 million in 3Q10.

Operating cash inflow for FY10 was \$46.2 million (FY09: \$76.0 million). The 39.3% decrease in operating cash inflow was in line with the decline in revenue and profit for the year.

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

The Group paid some \$4.2 million to acquire specialist equipment in 4Q10. This led to an increase in net investing outflow as compared to 3Q10.

However, in total net cash outflow for investing activities for FY10 amounting to \$11.5 million was still significantly lower than the net cash outflow of \$20.9 million in FY09.

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

Net cash outflow from financing activities for 3Q10 of \$6.3 million included a drawdown of some \$5 million in term loans taken under the Singapore Government's credit scheme. In 4Q10, the net cash outflow of \$9.1 million was markedly higher than 3Q10 as it only included a drawdown of some \$2.7 million of loans for the financing of the purchase of equipment.

For FY10, net cash outflow from financing activities was \$33.2 million (FY09: \$49.5 million), which took into account \$12.7 million of new bank borrowings (FY09: \$4.3 million), repayment of \$39.0 million of bank borrowings (FY09: \$42.6 million) and \$7.0 million dividends paid out (FY09: \$13.9 million).

## Outlook

It is anticipated that the Singapore government will continue to push out infrastructure projects during the course of 2010, which should increase construction activities. In addition, it is expected that the private and public residential projects and industrial projects would pick up in 2010. All these developments bode well for the Group.

In general, the global economy is recovering. However, the recent sovereign debt crisis in Europe has posed some uncertainty on the strength of the economic recovery. In view of this, the Group will continue to exercise prudence in its cash and project management to ensure that it will be able to withstand any adverse change in operating conditions.

The Group's order book as at 3 May 2010 stood at approximately \$170 million (3 February 2010: \$127 million). Going forward, the Group will continue to focus on its core competencies and diversify its geographical operations. The Board of Directors expect the Group to remain profitable in the financial year ending 31 March 2011.

## Consolidated Income Statement for the 12 months ended 31 March 2010

	Note	Group			Group		
		4th Quarter ended		Change	12 months ended		Change
		31-Mar-10	31-Mar-09		31-Mar-10	31-Mar-09	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>		61,066	110,871	(44.9)	285,059	568,097	(49.8)
Cost of sales	A	(54,586)	(95,069)	(42.6)	(238,240)	(474,231)	(49.8)
<b>Gross profit</b>		6,480	15,802	(59.0)	46,819	93,866	(50.1)
Other income	B	318	1,295	(75.4)	1,028	3,951	(74.0)
Distribution expenses		(66)	(45)	46.7	(157)	(188)	(16.5)
Administrative expenses		(257)	(309)	(16.8)	(983)	(1,541)	(36.2)
Other operating expenses	C	(1,796)	(8,476)	(78.8)	(15,899)	(38,207)	(58.4)
<b>Results from operating activities</b>		4,679	8,267	(43.4)	30,808	57,881	(46.8)
Finance income		414	164	152.4	67	205	(67.3)
Finance expenses		(923)	(1,056)	(12.6)	(3,719)	(4,931)	(24.6)
<b>Net finance expenses</b>	D	(509)	(892)	(42.9)	(3,652)	(4,726)	(22.7)
Share of profit/(loss) of associates		1,348	(55)	N.M.	2,869	(220)	N.M.
<b>Profit before income tax</b>		5,518	7,320	(24.6)	30,025	52,935	(43.3)
Income tax credit/(expense)	E	720	(720)	N.M.	(3,991)	(10,472)	(61.9)
<b>Profit for the period/year</b>		6,238	6,600	(5.5)	26,034	42,463	(38.7)
<b>Attributable to:</b>							
Equity holders of the Company		5,713	6,687	(14.6)	24,069	40,154	(40.1)
Minority interests		525	(87)	N.M.	1,965	2,309	(14.9)
<b>Profit for the period/year</b>		6,238	6,600		26,034	42,463	

*N.M. - Not Meaningful*

Gross profit margin	10.6%	14.3%	16.4%	16.5%
Operating expenses/Revenue	3.5%	8.0%	6.0%	7.0%
Net profit margin	10.2%	6.0%	9.1%	7.5%



## Consolidated Statement of Comprehensive Income for the 12 months ended 31 March 2010

	Group			Group		
	4th Quarter ended		Change	12 months ended		Change
	31-Mar-10	31-Mar-09		31-Mar-10	31-Mar-09	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Profit for the period/year</b>	6,238	6,600	(5.5)	26,034	42,463	(38.7)
<b>Other comprehensive income</b>						
Translation differences relating to financial statements of foreign subsidiaries and associates	479	(122)	N.M	456	(622)	N.M
Translation differences relating to dilution of interests in subsidiaries	-	-	N.A.	-	18	N.M
Translation differences relating to disposal of an associate	-	-	N.A.	-	64	N.M
Net change in fair value of available-for-sale financial assets	-	-	N.A.	-	(10)	N.M
Net change in fair value of available-for-sale financial assets transferred to income statement	-	-	N.A.	10	-	N.A.
Other comprehensive income for the period/year, net of tax	479	(122)	N.M	466	(550)	N.M
<b>Total comprehensive income for the period/year</b>	6,717	6,478	3.7	26,500	41,913	(36.8)
<b>Attributable to:</b>						
Equity holders of the Company	6,157	6,565	(6.2)	24,502	39,604	(38.1)
Minority interests	560	(87)	N.M	1,998	2,309	(13.5)
<b>Total comprehensive income for the period/year</b>	6,717	6,478		26,500	41,913	

## Balance Sheets as at 31 March 2010

DESCRIPTION	Note	Group		Company	
		31-Mar-10	31-Mar-09	31-Mar-10	31-Mar-09
		S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>					
Property, plant and equipment	1	126,096	128,418	8	13
Intangible assets		3,021	2,038	-	-
Investments in:					
- subsidiaries		-	-	62,821	57,347
- associates		4,541	-	3,322	-
Quoted shares, available-for-sale		-	2	-	-
Trade and other receivables		14,952	18,815	-	-
Other non-current assets		49	49	-	-
Deferred tax asset		-	-	27	-
		148,659	149,322	66,178	57,360
<b>Current assets</b>					
Inventories	2	23,758	26,330	-	-
Land held for development and sale		12,431	10,995	-	-
Trade and other receivables		146,254	178,350	47,303	38,701
Cash and cash equivalents		31,944	29,887	6,503	4,210
Assets classified as held for sale	1	593	-	-	-
		214,980	245,562	53,806	42,911
<b>Total assets</b>		363,639	394,884	119,984	100,271

## Balance Sheets as at 31 March 2010 (cont'd)

DESCRIPTION	Note	Group		Company	
		31-Mar-10	31-Mar-09	31-Mar-10	31-Mar-09
		S\$'000	S\$'000	S\$'000	S\$'000
<b>Equity attributable to equity holders of the Company</b>					
Share capital		64,526	64,378	64,526	64,378
Reserves		116,027	97,660	50,716	23,476
		180,553	162,038	115,242	87,854
<b>Minority interests</b>		9,246	6,853	-	-
<b>Total equity</b>		189,799	168,891	115,242	87,854
<b>Non-current liabilities</b>					
Financial liabilities		26,138	40,699	-	5,083
Deferred tax liabilities		6,144	3,529	-	-
		32,282	44,228	-	5,083
<b>Current liabilities</b>					
Financial liabilities		34,103	31,987	2,792	2,973
Trade and other payables		94,341	125,476	1,944	4,361
Excess of progress billings over construction work-in-progress	3	10,828	12,234	-	-
Current tax payable		2,286	12,068	6	-
		141,558	181,765	4,742	7,334
<b>Total liabilities</b>		173,840	225,993	4,742	12,417
<b>Total equity and liabilities</b>		363,639	394,884	119,984	100,271

## Consolidated Statement of Cash Flows for the 12 months ended 31 March 2010

	4th Quarter ended		12 months ended	
	<u>31-Mar-10</u> S\$'000	<u>31-Mar-09</u> S\$'000	<u>31-Mar-10</u> S\$'000	<u>31-Mar-09</u> S\$'000
<b>Operating activities</b>				
Profit for the period/year	6,238	6,600	26,034	42,463
Adjustments for:				
Allowances (reversed)/made for:				
- foreseeable losses on construction work-in-progress	(399)	369	(1,057)	618
- foreseeable losses on land held for sale	-	-	(1,300)	300
Amortisation of:				
- intangible assets	-	59	-	235
- lease prepayment	-	-	-	189
Depreciation of property, plant and equipment	5,650	5,596	21,296	20,555
Impairment losses (reversed)/recognised on:				
- investment in and balance with an associate	(1,587)	971	(1,922)	1,051
- goodwill on consolidation	-	1,811	-	2,311
- other non-current assets	-	5	-	5
- property, plant and equipment	(1,655)	5,036	(1,781)	6,535
- trade, progress billing and other receivables	574	331	(1,265)	2,494
Inventories written down	114	583	114	583
Loss on dilution of interests in subsidiaries	-	-	-	125
(Gain)/loss on disposal of:				
- a subsidiary	-	(688)	-	(688)
- an associate	-	-	-	(116)
- property, plant and equipment	387	350	364	(700)
Net finance expenses	509	892	3,652	4,726
Property, plant and equipment written off	18	(51)	94	26
Share of (profit)/loss of associates	(1,348)	55	(2,869)	220
Share option expense	18	603	1,038	2,209
Income tax (credit)/expense	(720)	720	3,991	10,472
	<b>7,799</b>	<b>23,242</b>	<b>46,389</b>	<b>93,613</b>
Changes in working capital:				
Inventories	4,515	333	4,971	(2,212)
Land held for development and sale	(185)	-	(136)	-
Trade, progress billing and other receivables	6,507	(2,189)	37,653	4,973
Trade and other payables	(6,389)	3,158	(31,116)	(8,349)
Cash generated from operations	12,247	24,544	57,761	88,025
Income taxes paid	(1,850)	(973)	(11,626)	(12,056)
Interest received	7	5	36	46
<b>Cash flows from operating activities</b>	<b>10,404</b>	<b>23,576</b>	<b>46,171</b>	<b>76,015</b>

**Consolidated Statement of Cash Flows for the 12 months ended 31 March 2010  
(cont'd)**

	<b>4th Quarter ended</b>		<b>12 months ended</b>	
	<b><u>31-Mar-10</u></b>	<b><u>31-Mar-09</u></b>	<b><u>31-Mar-10</u></b>	<b><u>31-Mar-09</u></b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Investing activities</b>				
Purchase of property, plant and equipment	(4,198)	(2,587)	(10,174)	(21,305)
Proceeds from disposal of:				
- a subsidiary	-	1,021	-	1,021
- interest in an associate	-	-	-	116
- property, plant and equipment	(12)	362	398	2,969
- quoted shares, available-for-sale	-	-	5	-
Acquisition of subsidiaries, net of cash acquired	-	-	(1,745)	(2,634)
Increase in non-trade amount owing by associates	(179)	-	(9)	(1,089)
<b>Cash flows from investing activities</b>	<b>(4,389)</b>	<b>(1,204)</b>	<b>(11,525)</b>	<b>(20,922)</b>
<b>Financing activities</b>				
Interest paid	(897)	(1,166)	(3,705)	(4,931)
Dividend paid:				
- shareholders of the Company	-	-	(6,979)	(13,518)
- minority shareholder of a subsidiary	-	(338)	(45)	(338)
Proceeds from:				
- bank loans	2,742	757	12,742	4,257
- capital contribution from a minority shareholder	-	-	-	13
- issue of shares under share option scheme	-	-	95	3,002
Repayment of:				
- bank loans	(3,304)	(3,738)	(8,509)	(16,052)
- finance lease liabilities	(7,647)	(6,131)	(26,819)	(21,577)
Increase in non-trade amount owing to a related corporation	(1)	-	-	-
Purchase of treasury shares	-	(138)	(141)	(151)
Decrease/(increase) in fixed deposits pledged	-	-	131	(228)
<b>Cash flows from financing activities</b>	<b>(9,107)</b>	<b>(10,754)</b>	<b>(33,230)</b>	<b>(49,523)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(3,092)</b>	<b>11,618</b>	<b>1,416</b>	<b>5,570</b>
Cash and cash equivalents at beginning of the period/year	30,225	14,133	25,749	20,188
Effect of exchange rate changes on balances held in foreign currencies	6	(2)	(26)	(9)
<b>Cash and cash equivalents at end of the period/year</b>	<b>27,139</b>	<b>25,749</b>	<b>27,139</b>	<b>25,749</b>
Comprising:				
Cash and cash equivalents	31,944	29,887	31,944	29,887
Bank overdrafts	(4,707)	(3,910)	(4,707)	(3,910)
	27,237	25,977	27,237	25,977
Less:				
Fixed deposits pledged as security for bank facilities	(98)	(228)	(98)	(228)
Cash and cash equivalents in the consolidated cash flow statement	27,139	25,749	27,139	25,749

## Statements of Changes in Equity for the 12 months ended 31 March 2010

<b>Group</b>	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 April 2008	58,057	17,798	-	116	-	3,056	(107)	125	50,349	129,394	4,070	133,464
Total comprehensive (expense)/ income for the year	-	-	-	-	(10)	-	(540)	-	40,154	39,604	2,309	41,913
<b>Transactions with owners, recorded directly in equity</b>												
Issue of shares under share option scheme	4,698	-	-	-	-	(1,696)	-	-	-	3,002	-	3,002
Conversion of redeemable convertible notes	1,623	-	-	-	-	-	-	(115)	-	1,508	-	1,508
Cancellation of redeemable convertible notes	-	-	-	-	-	-	-	(10)	-	(10)	-	(10)
Value of employee services received for issue of share options	-	-	-	-	-	2,209	-	-	-	2,209	-	2,209
Capital contribution by minority shareholder of a subsidiary	-	-	-	-	-	-	-	-	-	-	13	13
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	674	674
Dilution of interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	125	125
Purchase of treasury shares	-	-	(151)	-	-	-	-	-	-	(151)	-	(151)
Dividend paid in respect of financial year 2008												
- Final dividend of 0.5 cents per share (tax-exempt one-tier)	-	-	-	-	-	-	-	-	(5,963)	(5,963)	-	(5,963)
- Special dividend of 0.4 cents per share (tax-exempt one-tier)	-	-	-	-	-	-	-	-	(4,771)	(4,771)	-	(4,771)
Dividends paid in respect of financial year 2009												
- Interim dividend of 0.23 cents per share (tax-exempt one-tier)	-	-	-	-	-	-	-	-	(2,784)	(2,784)	-	(2,784)
Dividend paid to a minority shareholder	-	-	-	-	-	-	-	-	-	-	(338)	(338)
Total transactions with owners	6,321	-	(151)	-	-	513	-	(125)	(13,518)	(6,960)	474	(6,486)
<b>At 31 March 2009</b>	<b>64,378</b>	<b>17,798</b>	<b>(151)</b>	<b>116</b>	<b>(10)</b>	<b>3,569</b>	<b>(647)</b>	<b>-</b>	<b>76,985</b>	<b>162,038</b>	<b>6,853</b>	<b>168,891</b>
At 1 April 2009	64,378	17,798	(151)	116	(10)	3,569	(647)	-	76,985	162,038	6,853	168,891
Total comprehensive income for the year	-	-	-	-	10	-	423	-	24,069	24,502	1,998	26,500
<b>Transactions with owners, recorded directly in equity</b>												
Issue of shares under share option scheme	148	-	-	-	-	(53)	-	-	-	95	-	95
Lapse of share options	-	-	-	-	-	(702)	-	-	702	-	-	-
Value of employee services received for issue of share options	-	-	-	-	-	1,038	-	-	-	1,038	-	1,038
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	440	440
Purchase of treasury shares	-	-	(141)	-	-	-	-	-	-	(141)	-	(141)
Dividend paid in respect of financial year 2009												
- Final dividend of 0.37 cents per share (tax-exempt one-tier)	-	-	-	-	-	-	-	-	(4,530)	(4,530)	-	(4,530)
Dividend paid in respect of financial year 2010												
- Interim dividend of 0.20 cents per share (tax-exempt one-tier)	-	-	-	-	-	-	-	-	(2,449)	(2,449)	-	(2,449)
Dividend paid to a minority shareholder	-	-	-	-	-	-	-	-	-	-	(45)	(45)
Total transactions with owners	148	-	(141)	-	-	283	-	-	(6,277)	(5,987)	395	(5,592)
<b>At 31 March 2010</b>	<b>64,526</b>	<b>17,798</b>	<b>(292)</b>	<b>116</b>	<b>-</b>	<b>3,852</b>	<b>(224)</b>	<b>-</b>	<b>94,777</b>	<b>180,553</b>	<b>9,246</b>	<b>189,799</b>

## Statements of Changes in Equity for the 12 months ended 31 March 2010 (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>Other reserve</u>	<u>Accumulated profits</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 April 2008	58,057	17,798	-	3,056	125	1,206	80,242
Total comprehensive income for the year	-	-	-	-	-	14,572	14,572
<b>Transactions with owners, recorded directly in equity</b>							
Issue of shares under share option scheme	4,698	-	-	(1,696)	-	-	3,002
Conversion of redeemable convertible notes	1,623	-	-	-	(115)	-	1,508
Cancellation of redeemable convertible notes	-	-	-	-	(10)	-	(10)
Value of employee services received for issue of share options	-	-	-	2,209	-	-	2,209
Purchase of treasury shares	-	-	(151)	-	-	-	(151)
Dividend paid in respect of financial year 2008							
- Final dividend of 0.5 cents per share (tax-exempt one-tier)	-	-	-	-	-	(5,963)	(5,963)
- Special dividend of 0.4 cents per share (tax-exempt one-tier)	-	-	-	-	-	(4,771)	(4,771)
Dividend paid in respect of financial year 2009							
- Interim dividend of 0.23 cents per share (tax-exempt one-tier)	-	-	-	-	-	(2,784)	(2,784)
Total transactions with owners	6,321	-	(151)	513	(125)	(13,518)	(6,960)
<b>At 31 March 2009</b>	<b>64,378</b>	<b>17,798</b>	<b>(151)</b>	<b>3,569</b>	<b>-</b>	<b>2,260</b>	<b>87,854</b>
At 1 April 2009	64,378	17,798	(151)	3,569	-	2,260	87,854
Total comprehensive income for the year	-	-	-	-	-	33,731	33,731
<b>Transactions with owners, recorded directly in equity</b>							
Issue of shares under share option scheme	148	-	-	(53)	-	-	95
Lapse of share options	-	-	-	(702)	-	346	(356)
Value of employee services received for issue of share options	-	-	-	1,038	-	-	1,038
Purchase of treasury shares	-	-	(141)	-	-	-	(141)
Dividend paid in respect of financial year 2009							
- Final dividend of 0.37 cents per share (tax-exempt one-tier)	-	-	-	-	-	(4,530)	(4,530)
Dividend paid in respect of financial year 2010							
- Interim dividend of 0.20 cents per share (tax-exempt one-tier)	-	-	-	-	-	(2,449)	(2,449)
Total transactions with owners	148	-	(141)	283	-	(6,633)	(6,343)
<b>At 31 March 2010</b>	<b>64,526</b>	<b>17,798</b>	<b>(292)</b>	<b>3,852</b>	<b>-</b>	<b>29,358</b>	<b>115,242</b>

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 full year results for the period from 1 April 2009 to 31 March 2010 ("FY10") with comparative figures for the 12 months period from 1 April 2008 to 31 March 2009 ("FY09").

#### A Cost of sales

Group			
4th Quarter ended		12 months ended	
31/03/2010	31/03/2009	31/03/2010	31/03/2009
S\$'000	S\$'000	S\$'000	S\$'000

Cost of sales includes the following items:

Allowances (reversed)/made for:

- foreseeable losses on construction work-in-progress <sup>(1)</sup>	(399)	369	(1,057)	618
- foreseeable losses on land held for sale <sup>(2)</sup>	-	-	(1,300)	300
Depreciation of property, plant and equipment	5,446	5,533	20,425	19,641
Impairment losses (reversed)/recognised on property, plant and equipment	(1,604)	4,972	(1,730)	6,471
Inventories written down to net realisable value	114	583	114	583
Property, plant and equipment written off	30	8	92	8

<sup>(1)</sup> The Group recognises allowance for foreseeable losses taking into account the contracted revenue, estimated costs to completion, project duration and overruns. Reversals of allowance for foreseeable losses are mainly due to excess provisions which are no longer required after the finalisation of projects.

<sup>(2)</sup> Land held for sale is stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less anticipated cost of disposal.

#### B Other income

Group			
4th Quarter ended		12 months ended	
31/03/2010	31/03/2009	31/03/2010	31/03/2009
S\$'000	S\$'000	S\$'000	S\$'000

Other income includes the following items:

Gain/(loss) on disposal of:

- a subsidiary <sup>(3)</sup>	-	688	-	688
- an associate <sup>(4)</sup>	-	-	-	116
- property, plant and equipment	(387)	(350)	(364)	700

<sup>(3)</sup> In January 2009, the Group entered into a sale and purchase agreement with a third party to dispose its 100% equity interest in its subsidiary for a consideration of S\$1,050,000, giving rise to a gain on disposal of S\$688,000.

<sup>(4)</sup> 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 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			
	4th Quarter ended		12 months ended	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	S\$'000	S\$'000	S\$'000	S\$'000
Other operating expenses includes the following items:				
Amortisation of:				
- intangible assets <sup>(5)</sup>	-	59	-	235
- lease prepayment	-	-	-	189
Bad debts written off	48	(3)	123	42
Depreciation of property, plant and equipment	204	63	871	914
Exchange (gain)/loss	(572)	27	(137)	116
Impairment losses (reversed)/recognised on:				
- investment in and balance with an associate	(1,587)	971	(1,922)	1,051
- goodwill on consolidation	-	1,811	-	2,311
- trade, progress billing & other receivables <sup>(6)</sup>	574	331	(1,265)	2,494
- other non-current assets	-	5	-	5
- property, plant and equipment	(51)	64	(51)	64
Loss on dilution of interests in subsidiaries	-	-	-	125
Property, plant and equipment written off	(12)	(59)	2	18
Share option expense	18	603	1,038	2,209

<sup>(5)</sup> Intangible asset of S\$235,000 arose from the acquisition of a subsidiary in April 2008. The intangible asset was amortised to the Consolidated Income Statement over its estimated useful life of 12 months.

<sup>(6)</sup> 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. Amounts written back are cash recovered from receivables previously impaired.

### D Finance income and expense

Included in the Group's finance income and expense for FY10 was gain on disposal of quoted shares and impairment loss on quoted shares, available-for-sale, of S\$3,000 and S\$10,000 respectively. The quoted shares were issued to the Group as a result of settlements of debts owing from customers in previous years.

### E Income tax (credit)/expense

	Group			
	4th Quarter ended		12 months ended	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	S\$'000	S\$'000	S\$'000	S\$'000
Current tax (credit)/expense				
- current period/year	(2,483)	(462)	1,483	11,125
- under provided in prior years	3	58	137	1,007
	(2,480)	(404)	1,620	12,132
Deferred tax expense/(credit)				
- current period/year	2,183	872	2,783	(1,050)
- (Over)/under provided in prior years	(423)	252	(412)	(610)
	1,760	1,124	2,371	(1,660)
	(720)	720	3,991	10,472

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

### F Interested person transactions

Interested person transactions carried out during the 12 months ended 31 March 2010 under Chapter 9 of the Listing Manual are as follows:-

Name of interested person	Aggregate value of all interested person transactions during the year 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)
CMC Construction Pte Ltd <sup>(1)</sup>	NIL	S\$1,311,000
Tat Hong Heavyequipment (Pte.) Ltd. <sup>(1)</sup>	NIL	S\$4,994,000
Tat Hong Plant Leasing Pte Ltd <sup>(1)</sup>	NIL	S\$3,013,000

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 Balance Sheets

### 1 Property, plant and equipment

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

	Group	
	As at 31/03/2010 S\$'000	As at 31/03/2009 S\$'000
<u>Cost</u>		
Opening balance	190,744	139,956
Additions	16,955	53,891
Assets acquired through business combinations	1,219	2,000
Disposal of a subsidiary	-	(110)
Disposals/Write-offs	(6,788)	(4,462)
Transfer to assets held for sale	(2,753)	-
Translation differences on consolidation	703	(531)
Closing balance	<u>200,080</u>	<u>190,744</u>
<u>Accumulated depreciation and impairment losses</u>		
Opening balance	62,326	37,544
Additions	19,515	27,090
Disposal of a subsidiary	-	(86)
Disposals/Write-offs	(5,932)	(2,168)
Transfer to assets held for sale	(2,160)	-
Translation differences on consolidation	235	(54)
Closing balance	<u>73,984</u>	<u>62,326</u>
Carrying amount	<u>126,096</u>	<u>128,418</u>

### 2 Inventories

	Group	
	As at 31/03/2010 S\$'000	As at 31/03/2009 S\$'000
Equipment and machinery held for sale	16,589	19,235
Spare parts	3,110	2,500
Materials on sites	4,059	4,850
	<u>23,758</u>	<u>26,585</u>
Allowance for inventory obsolescence	-	(255)
	<u>23,758</u>	<u>26,330</u>

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

	Group	
	As at 31/03/2010 S\$'000	As at 31/03/2009 S\$'000
Cost incurred and attributable profit	1,060,945	1,035,197
Allowance for foreseeable losses	(619)	(1,676)
	<u>1,060,326</u>	<u>1,033,521</u>
Progress billings	(1,071,154)	(1,045,755)
	<u>(10,828)</u>	<u>(12,234)</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 31/03/2010	
Secured	Unsecured
S\$'000	S\$'000
46,193	-

As at 31/03/2009	
Secured	Unsecured
S\$'000	S\$'000
41,430	-

#### Amount repayable after one year

As at 31/03/2010	
Secured	Unsecured
S\$'000	S\$'000
26,138	-

As at 31/03/2009	
Secured	Unsecured
S\$'000	S\$'000
40,699	-

#### Details of any collateral

The Group's total secured borrowings amounted to S\$72.3 million (31 March 2009: S\$82.1 million) and consist of finance leases and loans and borrowings. Included in the secured borrowings repayable within one year were bills payable amounted to S\$12.1 million (31 March 2009: S\$9.4 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 related corporations:

- a) Property, plant and machinery;
- b) Fixed and floating charges on assets of a subsidiary; and
- c) Fixed deposits of a subsidiary.

## Notes to the Statement of Changes in Equity

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

As at 31 March 2010, the issued and fully paid-up share capital of the Company was S\$64,526,042 (31 March 2009: S\$64,378,246). Movement in the Company's issued and fully paid-up share capital during the year ended 31 March 2010 was as follows:

	Number of shares	S\$'000
As at 1 April 2009	1,225,243,725	64,378
Issue of shares under CSC Executive Share Option Scheme 2004	1,000,000	148
As at 31 March 2010	<u>1,226,243,725</u>	<u>64,526</u>

During the year, the Company completed the buy-back of 850,000 (31 March 2009: 1,900,000) ordinary shares. As at 31 March 2010, the Company held 2,750,000 (31 March 2009: 1,900,000) of its own uncancelled shares. There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the year ended 31 March 2010.

The total number of ordinary shares issued (excluding treasury shares) as at 31 March 2010 was 1,223,493,725 (31 March 2009: 1,223,343,725) ordinary shares.

As at 31 March 2010, there were outstanding share options for conversion into 74,850,000 (31 March 2009: 93,379,000) 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 year compared with the audited financial statements for the year ended 31 March 2009, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial periods beginning on or after 1 April 2009.

The following are the new and revised FRS that are relevant to the Group:

FRS 1 (Revised)	Presentation of Financial Statements
FRS 23 (Revised)	Borrowing Costs
Amendments to FRS 107	Financial Instruments: Disclosures
FRS 108	Operating Segments

The adoption of the new and revised FRS has no material impact on the Group's financial position or results.

## Earnings Per Share

### (a) Basic earnings per ordinary share

	4th Quarter ended		12 months ended	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
Based on the weighted average number of ordinary shares on issue	0.47 cents	0.55 cents	1.97 cents	3.36 cents

	4th Quarter ended		12 months ended	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	S\$'000	S\$'000	S\$'000	S\$'000
Basic earnings per ordinary share is based on: Net profit attributable to ordinary shareholders	5,713	6,687	24,069	40,154

	4th Quarter ended		12 months ended	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	Number of shares			
Weighted average number of: Issued ordinary shares at beginning of the period/year	1,226,243,725	1,210,396,197	1,225,243,725	1,147,864,781
Ordinary shares issued arising from exercise of share options	-	-	821,918	37,393,803
Ordinary shares issued arising from conversion of convertible notes	-	329,945	-	8,973,861
Ordinary shares held as treasury shares	(2,750,000)	(955,000)	(2,145,644)	(252,740)
Weighted average number of ordinary shares used to compute earnings per ordinary share	1,223,493,725	1,209,771,142	1,223,919,999	1,193,979,705

### (b) Diluted earnings per ordinary share

	4th Quarter ended		12 months ended	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
On a fully diluted basis	0.46 cents	0.55 cents	1.94 cents	3.29 cents

	4th Quarter ended		12 months ended	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	S\$'000	S\$'000	S\$'000	S\$'000
Diluted earnings per ordinary share is based on: Net profit attributable to ordinary shareholders	5,713	6,687	24,069	40,154
Imputed interest on convertible notes, net of tax effect	-	10	-	62
Net profit attributable to ordinary shareholders, adjusted for the effect of conversion of convertible notes	5,713	6,697	24,069	40,216

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/year outstanding.

## Earnings Per Share (cont'd)

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

	4th Quarter ended		12 months ended	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	<b>Number of shares</b>			
Weighted average number of:				
Ordinary shares used in the calculation of basic earnings per ordinary share	1,223,493,725	1,209,771,142	1,223,919,999	1,193,979,705
Potential ordinary shares issuable under exercise of share options	5,863,189	665,213	16,577,732	2,853,604
Potential ordinary shares issuable under conversion of convertible notes	-	17,342,278	-	26,483,147
Weighted average number of ordinary issued and potential shares assuming full conversion	<u>1,229,356,914</u>	<u>1,227,778,633</u>	<u>1,240,497,731</u>	<u>1,223,316,456</u>

## Net Asset Value

	<u>As at 31/03/2010</u>	<u>As at 31/03/2009</u>
<b><u>Group</u></b>		
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the year reported on	15.5 cents	13.8 cents
<b><u>Company</u></b>		
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the year reported on	9.4 cents	7.2 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 March 2010 of 1,223,493,725 (31 March 2009: 1,223,343,725) ordinary shares.

## Dividend

The Board of Directors is pleased to recommend a tax exempt one-tier final ordinary dividend of 0.40 cents per share (31 March 2009: 0.37 cents) in respect of the financial year ended 31 March 2010 for approval by shareholders at the next Annual General Meeting to be convened.

During the year, a tax exempt one-tier ordinary dividend of 0.20 cents per share has been declared and paid. For the previous corresponding year, a tax exempt one-tier ordinary dividend of 0.23 cents per share and a tax exempt one-tier final ordinary dividend of 0.37 cents per share have been declared and paid.

For the year ended 31 March 2010:

Name of dividend	Interim	Final	Total
Dividend type	Cash	Cash	Cash
Dividend per ordinary share	0.20 cents	0.40 cents	0.60 cents
Tax rate	Tax exempt	Tax exempt	Tax exempt

For the year ended 31 March 2009:

Name of dividend	Interim	Final	Total
Dividend type	Cash	Cash	Cash
Dividend per ordinary share	0.23 cents	0.37 cents	0.60 cents
Tax rate	Tax exempt	Tax exempt	Tax exempt

A separate announcement will be made on the Books Closure Date and shareholders will be advised accordingly on the relevant dates pertaining to the closure of the Transfer Books and the Register of Members of the Company for the preparation of the dividend warrants.

Breakdown of Total Annual Dividend

	<u>31 March 2010</u> S\$'000	<u>31 March 2009</u> S\$'000
Ordinary*	<u>7,343</u>	<u>7,314</u>

\* Final dividend for the financial year ended 31 March 2010 is estimated based on share capital of 1,223,493,725 ordinary shares at the end of the financial year.



## Segmental Revenue and Results

### Business segments

The Group comprises the following main business segments:

Foundation engineering : Foundation and geotechnical engineering works  
 Trading and leasing of equipment : Trading and rental of foundation engineering equipment

	Foundation Engineering		Trading and Leasing of Equipments		Others		Total	
	FY10 S\$'000	FY09 S\$'000	FY10 S\$'000	FY09 S\$'000	FY10 S\$'000	FY09 S\$'000	FY10 S\$'000	FY09 S\$'000
<b>External revenue</b>	245,882	523,860	35,241	42,214	3,936	2,023	285,059	568,097
Inter-segment revenue	15,764	19,118	9,808	16,158	73	196	25,645	35,472
<b>Total revenue</b>	<b>261,646</b>	<b>542,978</b>	<b>45,049</b>	<b>58,372</b>	<b>4,009</b>	<b>2,219</b>	<b>310,704</b>	<b>603,569</b>
Reportable segment profit/(loss) before income tax	22,678	58,730	4,986	8,010	(622)	(885)	27,043	65,854

#### Reconciliations of reportable segment revenue and profit or loss :

	FY10 S\$'000	FY09 S\$'000
<b>Revenue</b>		
Total revenue for reportable segments	306,695	601,350
Other revenue	4,009	2,219
	<u>310,704</u>	<u>603,569</u>
Elimination of inter-segment revenue	(25,645)	(35,472)
<b>Consolidated revenue</b>	<b>285,059</b>	<b>568,097</b>
<b>Profit or Loss</b>		
Total profit or loss for reportable segments	27,664	66,740
Other profit or loss	(622)	(885)
	<u>27,043</u>	<u>65,854</u>
Elimination of inter-segment losses/(profits)	4,845	(611)
Unallocated amounts:		
- other corporate expenses	(4,732)	(12,089)
Share of profit/(loss) of associates	2,869	(220)
<b>Consolidated profit before income tax</b>	<b>30,025</b>	<b>52,935</b>

## Breakdown of Sales

	<b>12 months ended 31/03/2010</b>	<b>12 months ended 31/03/2009</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
(a) Sales reported for the first half year	151,731	334,130	(54.6)
(b) Operating profit after tax before deducting minority interest reported for the first half year	14,777	27,658	(46.6)
(c) Sales reported for the second half year	133,328	233,967	(43.0)
(d) Operating profit after tax before deducting minority interest reported for the second half year	11,257	14,805	(24.0)

**By Order of the Board**

**Lee Quang Loong**  
**Chief Financial Officer / Company Secretary**  
**20 May 2010**