KOH BROTHERS GROUP LIMITED
(Company Registration No. 199400775D)

Unaudited First Quarter and 3 Months Financial Statement And Dividend Announcement for the Period Ended 31 March 2011

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (QI, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	3 months ended		Change
		31/03/2011 S$'000	31/03/2010 S$'000	%
Sales	1	82,352	84,830	-3%
Cost of sales		(73,893)	(76,078)	-3%
Gross profit		8,459	8,752	-3%
Other gains	2	378	443	-15%
Expenses				
- Distribution		355	(194)	-283%
- Administrative		(4,306)	(4,412)	-2%
- Other		(31)	(24)	29%
- Finance		(653)	(777)	-16%
Share of profit/(loss) from an associated company		51	(66)	177%
Profit before income tax	3	4,253	3,722	14%
Income tax expense	4	(1,093)	(855)	28%
Profit after income tax		3,160	2,867	10%
Other comprehensive income, net of tax:				
Exchange differences on translating foreign operations		(249)	(222)	12%
Total comprehensive income		2,911	2,645	10%
Profit attributable to:				
Equity holders of the Company		3,359	3,003	12%
Non-controlling interests		(199)	(136)	46%
		3,160	2,867	10%
Total comprehensive income attributable to:				
Equity holders of the Company		3,083	2,775	11%
Non-controlling interests		(172)	(130)	32%
		2,911	2,645	10%

Notes to the Consolidated Statement of Comprehensive Income

	3 months ended	
	31/03/2011 S$'000	31/03/2010 S$'000
Note 1		
Sales include the following:		
Sales of products	12,173	22,485
Services rendered	1,029	780
Property development and rental	8,610	5,705
Contract revenue	60,540	55,860
	82,352	84,830
Note 2		
Other gains include the following:		
Rental income	3	176
Profit on disposal of property, plant and equipment	192	43
Fair value loss on long-term financial assets and financial liabilities	(254)	-
Fair value gain on financial assets at fair value through profit or loss	24	126
Other income	338	43
Interest income	75	55
	378	443
Note 3		
Profit before income tax is stated after charging/(crediting) the following items:		
Write-back of impairment on trade and non-trade receivables	(1,103)	(171)
Allowance for inventory obsolescence	6	-
Bad debts written off	22	-
Depreciation of property, plant and equipment	1,355	1,067
Property, plant and equipment written off	-	133
Net foreign exchange gain	(227)	(124)
Note 4		
Income tax includes the following:		
Current income tax		
- in respect of current period	563	726
- (over)/under provision in respect of prior period	(38)	59
Deferred income tax		
- in respect of current period	188	70
- under provision in respect of prior period	380	-
	1,093	855

The Group's taxation charge for the period ended 31 March 2011 is higher than that determined by applying the Singapore income tax rate of 17% to the Group's profit before income tax mainly due to under provision of income tax in respect of prior period in certain subsidiaries.

1(b)(i) **BALANCE SHEETS**

	GROUP		COMPANY	
	31/03/2011 S$'000	31/12/2010 S$'000	31/03/2011 S$'000	31/12/2010 S$'000
ASSETS				
CURRENT ASSETS				
Cash and bank balances	79,616	61,595	881	948
Financial assets at fair value through profit or loss	902	877	5	4
Trade receivables	37,478	50,170	-	-
Due from customers on construction contracts	14,289	11,433	-	-
Amounts due from subsidiaries (non-trade)	-	-	8,174	8,142
Amounts due from an associated company (trade)	59	71	-	-
Inventories	6,977	7,760	-	-
Tax recoverable	1,084	1,084	-	-
Other assets	3,552	3,254	-	-
Development properties	140,669	138,873	-	-
Properties held for sale	14	47	-	-
	284,640	275,164	9,060	9,094
NON-CURRENT ASSETS				
Amount due from subsidiaries (non-trade)	-	-	8,560	8,562
Trade receivables	3,094	2,263	-	-
Associated company	494	444	-	-
Subsidiaries	-	-	77,187	76,911
Investment properties	205,532	204,831	-	-
Property, plant and equipment	63,458	65,352	-	-
	272,578	272,890	85,747	85,473
TOTAL ASSETS	557,218	548,054	94,807	94,567
LIABILITIES				
CURRENT LIABILITIES				
Trade payables	54,023	54,907	-	-
Other liabilities	27,086	31,133	595	705
Due to customers on construction contracts	19,881	19,230	-	-
Amounts due to subsidiaries (non-trade)	-	-	6,798	6,907
Amounts due to an associated company (trade)	635	812	-	-
Current income tax liabilities	2,721	1,357	-	-
Short-term borrowings	72,226	72,017	-	-
	176,572	179,456	7,393	7,612
NON-CURRENT LIABILITIES				
Amounts due to subsidiaries (non-trade)	-	-	6,796	6,923
Trade payables	4,174	6,559	-	-
Finance lease	3,229	4,446	-	-
Bank borrowings	179,634	167,518	-	-
Other liabilities	-	-	214	412
Deferred taxation	18,677	18,054	-	-
	205,714	196,577	7,010	7,335
TOTAL LIABILITIES	382,286	376,033	14,403	14,947
NET ASSETS	174,932	172,021	80,404	79,620
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	47,966	47,966	47,966	47,966
Capital and other reserves	1,411	1,411	-	-
Retained profits	131,622	128,263	32,438	31,654
Currency translation reserve	(6,886)	(6,610)	-	-
	174,113	171,030	80,404	79,620
Non-controlling interests	819	991	-	-
Total equity	174,932	172,021	80,404	79,620

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

	As at 31/03/2011		As at 31/12/2010	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Amount repayable in one year or less, or on demand	61,790	10,436	60,997	11,020
Amount repayable after one year	182,863	-	171,749	215

Details of any collateral

The Group's secured borrowings are secured by the Group's freehold and leasehold properties, development properties, investment properties, plant and machinery and motor vehicles.

1(c) CONSOLIDATED CASH FLOW STATEMENT

	3 months ended	
	31/03/2011 S$'000	31/03/2010 S$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Total profit	3,160	2,867
Adjustments for non-cash items:		
Income tax	1,093	855
Depreciation of property, plant and equipment	1,355	1,067
Property, plant and equipment written off	-	133
Profit on disposal of property, plant and equipment	(192)	(43)
Loss on disposal of property held for sale	8	-
Fair value loss on long-term financial assets and financial liabilities	254	-
Fair value gain on financial assets at fair value through profit or loss	(24)	(126)
Share of (profit)/loss from an associated company	(51)	66
Interest expense	653	777
Interest income	(75)	(55)
Unrealised foreign exchange gain	(159)	(135)
Operating profit before working capital changes	6,022	5,406
Working capital changes:		
- Receivables	11,538	15,967
- Inventories	783	(942)
- Due from/to customers on construction contracts	(1,154)	5,257
- Development properties	(1,105)	1,029
- Properties held for sale	26	-
- Payables	(7,740)	(6,440)
Cash generated from operations	8,370	20,277
Income tax paid	896	(481)
Interest paid	(1,327)	(1,598)
Net cash generated from operating activities	7,939	18,198
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	-	(130)
Purchase of property, plant and equipment	(442)	(1,229)
Proceeds from disposal of property, plant and equipment	203	59
Additions to investment properties	(701)	-
Interest received	75	55
Net cash used in investing activities	(865)	(1,245)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	16,697	8,000
Repayment of finance lease	(1,371)	(1,127)
Repayment of bank borrowings	(3,820)	(11,857)
Deposit pledge	-	550
Net cash generated from/(used in) financing activities	11,506	(4,434)
NET CHANGE IN CASH AND CASH EQUIVALENTS	18,580	12,519
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	60,468	40,852
EFFECTS OF CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS	(162)	(42)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	78,886	53,329
Represented by:		
CASH AND CASH EQUIVALENTS		
Cash and bank balances	79,616	57,422
Restricted cash	(200)	(200)
Bank overdrafts	(530)	(3,893)
	78,886	53,329

1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE GROUP AND THE COMPANY

GROUP (S$'000)	Attributable to equity holders of the Group					NON-CONTROLLING INTERESTS	TOTAL EQUITY
	Share Capital	Capital and Other Reserves	Retained Profits	Currency Translation Reserve	TOTAL		
Balance as at 01/01/2011	47,966	1,411	128,263	(6,610)	171,030	991	172,021
Total comprehensive income for the period	-	-	3,359	(276)	3,083	(172)	2,911
Balance as at 31/03/2011	47,966	1,411	131,622	(6,886)	174,113	819	174,932
Balance as at 01/01/2010	47,966	1,411	117,362	(5,920)	160,819	2,235	163,054
Total comprehensive income for the period	-	-	3,003	(228)	2,775	(130)	2,645
Balance as at 31/03/2010	47,966	1,411	120,365	(6,148)	163,594	2,105	165,699

COMPANY (S$'000)	Attributable to equity holders of the Company		
	Share Capital	Retained Profits	TOTAL
Balance as at 01/01/2011	47,966	31,654	79,620
Total comprehensive income for the period	-	784	784
Balance as at 31/03/2011	47,966	32,438	80,404
Balance as at 01/01/2010	47,966	25,357	73,323
Total comprehensive income for the period	-	(29)	(29)
Balance as at 31/03/2010	47,966	25,328	73,294

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Since the previous period reported on, there is no change in the Company's share capital arising from rights issue, bonus issue, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares as at 31 March 2011 was 479,613,400 (31 December 2010: 479,613,400). There is no treasury share for both financial periods.

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

Not applicable.

2 **Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have neither been audited nor reviewed.

3 **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the financial year ended 31 December 2010. The adoption of the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for financial periods beginning on or after 1 January 2011 has no significant impact to the Group.

5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Please refer to paragraph 4.

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

Earnings per ordinary share for the period after provision for preference dividends:	GROUP	
	3 months ended	
	31/03/2011 (cent)	31/03/2010 (cent)
(i) Basic	0.70	0.63
(ii) On a fully diluted basis	0.70	0.63

Note:

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the current financial period of 479,613,400 ordinary shares (2010: 479,613,400 ordinary shares).

7 **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer as at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	GROUP		COMPANY	
	31/03/2011 (cents)	31/12/2010 (cents)	31/03/2011 (cents)	31/12/2010 (cents)
Net asset value backing per ordinary share based on existing issued share capital as at the end of the period reported on	36.30	35.66	16.76	16.60

Note:

The net asset value per share is calculated based on the issued share capital of 479,613,400 ordinary shares as at 31 March 2011 (31 December 2010: 479,613,400 ordinary shares).

8 A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flows, working capital, assets or liabilities of the Group during the current financial period reported on.

Review of Group performance

Group sales for the first quarter ended 31 March 2011 ("1Q2011") was S$82.4 million. This represents a decrease of 3% from the previous corresponding period in 2010 ("1Q2010"). However, the Group's profit before tax improved by 14% in 1Q2011 to S$4.3 million compared to S$3.7 million in 1Q2010 primarily due to lower distribution expenses. The Group's net profit attributable to shareholders also improved by 12% to S$3.4 million in 1Q2011 from S$3.0 million in 1Q2010.

Earnings per share improved to 0.70 cent in 1Q2011 compared to 0.63 cent in 1Q2010.

Review of changes in working capital, assets and liabilities

The movements in assets and liabilities are as follows:

1) Increase in cash and cash equivalents and decrease in trade receivables.

2) Decrease in other liabilities was mainly due to repayment of payables.

3) Increase in bank borrowings was mainly due to drawdown of bank loans by the real estate division.

Review of changes in cashflow

The Group reported a net increase in cash and cash equivalents mainly due to net cash generated from financing activities. This was mainly due to increase in bank borrowings.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There was no first quarter forecast or prospect statement disclosed previously.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Public sector demand for construction in Singapore is expected to remain strong in the current year. Demand will come from projects from public institutions and as well as infrastructure projects. We expect tender pricings to remain competitive.

There was a general moderation in demand and growth in residential property prices as a result of the latest round of property cooling measures introduced by the Government. Nevertheless, we expect the underlying market condition to remain stable.

Visitor arrivals to Singapore registered positive growth in 2010. This has helped hotels to improve their occupancy and room rates. We are optimistic that this trend will continue in 2011.

11 Dividend

(a) Current Financial Period Reported On: 31 March 2011

(i) Any dividend declared for the current financial period reported on? No

(ii) Any dividend recommended for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable

13 Interested Person Transaction

Name of Interested Person	Aggregate value of all interested person transactions during the financial 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)
	$'000	$'000
Madam Quek Chee Nee	114	-

14 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation for the current financial period.

BY ORDER OF THE BOARD

Submitted by Koh Keng Siang, Managing Director and Group CEO on 11 May 2011 to SGX-ST

CONFIRMATION PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

To the best of our knowledge, nothing has come to attention of the board of directors of the Company which may render the unaudited financial results of the Group and the Company for the financial period ended 31 March 2011 to be false or misleading in any material aspect.

ON BEHALF OF THE BOARD

Koh Keng Siang
Managing Director & Group CEO

Koh Keng Hiong
Executive Director

11 May 2011
Singapore