

BUY

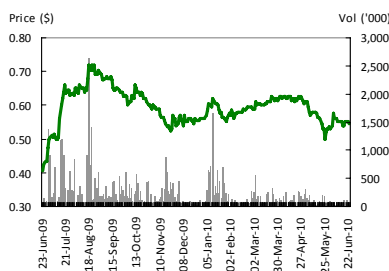
Company Update

Analyst

Pauline Lee
paulinelee@kimeng.com
(65) 6432 1453

Price **\$0.545**
Target **\$0.85**
ST Index **2,871.05**

Historical Chart



Performance	1m	3m	6m
Absolute (%)	5.7	-9.7	0.9
Relative (%)	0.3	-9.2	-0.2

Stock Information

Ticker code	KMEN.SI KMEN.SP
Market cap (US\$m)	76.3
52-week high (S\$)	0.72
52-week low (S\$)	0.405
Shares issued (m)	194.2
6m avg d.vol (US\$m)	0.1
Free float (%)	49.8
Major shareholders (%)	
Benedict Soh (25.1)	
Simon Ong (25.1)	

Key Indicators

ROE (%)	27.1
Net cash (S\$m)	21.5
NTA (S\$)	0.274
Interest cover (x)	58

Kingsmen Creatives

Spreading its wings

What's New

- Kingsmen Creatives has added another feather to its cap with its completion of \$20m worth of work at the Expo 2010 Shanghai, one of the world's most prominent events. Positive catalysts in store include mega contract wins on thematic and scenic works. We reiterate our BUY recommendation, premised on the stock's attractive dividend yield of 6% as well as accelerating growth momentum for the group.

Our View

- Kingsmen has successfully wrapped up work on seven pavilions at the Shanghai Expo. The revenue from the high-margin contracts, worth more than \$20m, is expected to be recognised in its P&L statement in 2Q10. We have no doubt that the group has left its mark on the world expo, which will serve to enhance its appeal as a global communications design specialist.
- More contract wins are in the offing with Kingsmen currently bidding for a number of projects in the region, including thematic and scenic works. On the interior front, there is overwhelming demand for the group's expertise to fit out high-end boutiques at the Marina Bay Sands Shoppes®. Plans for rapid expansion by its blue-chip retail clients will also continue to spur its orderbook.
- Greater China, which makes up 18.5% of its FY09 revenue, offers vast opportunities for high-margin projects. After the Shanghai Expo, Kingsmen will work on a few trade shows and, possibly, some mega theme park projects in China. The group remains the top choice for global branded retailers, such as Tiffany and Burberry, in fitting out their new boutiques and flagship stores as they expand into China.

Action & Recommendation

In our view, Kingsmen is on track to achieve another record year by capitalising on its solid balance-sheet strength and net cash of \$21.5m to grow. Positive catalysts include mega contract wins in the region. BUY.

Year End Dec 31	2008	2009	2010F	2011F	2012F
Sales (S\$m)	190.6	242.0	256.1	270.2	285.1
Pre-tax (S\$m)	19.0	18.9	21.6	23.0	24.8
Net profit (S\$m)	14.2	14.9	16.2	17.3	18.8
EPS (cts)	7.5	7.9	8.6	9.1	9.9
EPS growth (%)	-5.2	5.5	8.7	6.9	8.7
PER (x)	7.3	6.9	6.4	6.0	5.5
EV/EBITDA (x)	4.1	4.5	4.3	4.0	3.8
Yield (%)	5.5	6.4	6.3	6.7	7.3

SEE APPENDIX I FOR IMPORTANT DISCLOSURES AND ANALYST CERTIFICATIONS

Leaving a mark on Expo 2010

Kingsmen Creatives has successfully completed work on seven pavilions at the Expo 2010 Shanghai, which boasts more than 250 pavilions. The contracts, worth over \$20m, called for the provision of audio-visual and multimedia services, signages and interior design for exhibitions, as well as facility management. The bulk of the revenue from the Shanghai Expo projects will be recognised in 2Q10. We understand that the operating margins have been attractive, with gross profit margin coming in at 25-30%, outstripping even the high end of its normalised net margin of 6-8%.

The seven pavilions Kingsmen created are the Information and Communications Technology Pavilion (related to China Telecom/China Mobile), as well as the USA, Singapore, Coca-Cola, Canada, Montreal and Guangdong Pavilions. During our recent visit, we observed that most of the pavilions at the Expo were packed and people waited in long queues, sometimes for more than three hours, for their turn to enter. We have no doubt that Kingsmen has added another feather to its cap with its work at the Shanghai Expo, and the mark it made will serve to enhance its appeal as a global communications design specialist.

The most visited in history

Expo 2010 Shanghai China (中國2010年上海世界博覽會) is being held on both banks of the Huangpu River in the city of Shanghai, China, from 1 May to 31 October 2010 – 184 days altogether. It is a world expo in the tradition of international fairs and expositions. The theme of the expo, *Better City, Better Life*, signifies Shanghai's new status in the 21st century as the "next great world city". The logo features the Chinese character 世 modified to represent three people together with the 2010 date. The Shanghai Expo is said to be the most expensive in the history of the world's fairs, the largest-ever at 5.28 sq km.

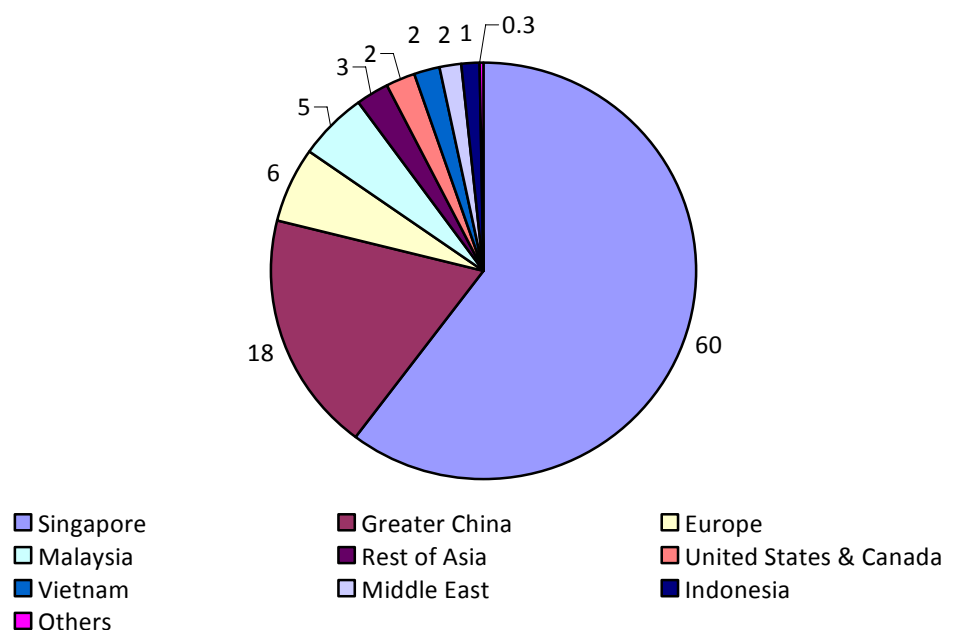
More than 190 countries and more than 50 international organizations have registered to participate in the expo. China expects almost 100 foreign leaders to visit it. It also estimates that more than 70-100m visitors will arrive, making the Shanghai Expo the most visited in history.

North Asia holds great promise for growth

Kingsmen expects to remain busy in Greater China after its Shanghai Expo projects. The region, which makes up 18.5% of its FY09 revenue, holds promise for growth of both its Interior and Exhibitions divisions. According to management, operations in China tend to yield higher margins, even surpassing the group's net margin of 6-8%. Its Exhibitions and Museums segment is scheduled to work on a number of trade shows in China, including the Nissan and Infinity trade shows. The group is also pursuing a few mega theme park projects in Greater China.

Growth opportunities for the Interior division are equally attractive. Kingsmen recently completed fitting out a huge Tiffany flagship store in Shanghai, with the contract worth close to \$8m. It will also help Tiffany to fit out the latter’s new boutiques in the other Chinese cities. Next in the pipeline will be Burberry’s flagship store in China. These potential contracts should give Kingsmen’s orderbook a considerable boost over the next few quarters. More importantly, we believe the group remains a top choice among global branded retailers for outfitting their most prominent stores around the world. This testifies to the strong and sustainable demand for Kingsmen’s expertise and the high-quality projects in its bag.

Figure 1: Revenue breakdown (%)



Source: Company data

Solid orderbook with more to come

Kingsmen’s orderbook surged by 58% to \$133m in the past three months, affirming its robust growth prospects. Contracts worth \$119m, to be recognised in FY10, already constitute 46% of our full-year revenue forecast. This solid orderbook points to faster earnings momentum in 2H10.

Equipped with sound expertise and a track record in delivering high-profile projects, such as the Universal Studio Singapore, Shanghai Expo 2010, Beijing Olympics, Formula 1 Grand Prix Singapore and the Airshows, Kingsmen is increasingly sought after in the global arena. Strong demand for its expertise could lead to more contract wins, especially in the area of thematic and scenic works around the region. The market potential for

theme park projects is huge, estimated at S\$21.9bn in the next 4-5 years. The group is currently bidding for several new projects in the region, including thematic and scenic works.

As to its interior business, Kingsmen is busy fitting out numerous shops and boutiques at Marina Bay Sands Shoppes® (MBS) and Orchard Road. We understand that the group has been overwhelmed by demand for its services at MBS. It is contracted to outfit close to 21 of the 150 high-end boutiques at MBS and the total value of the work could amount to \$18m. Besides working with its existing customers, Kingsmen secured jobs from new luxury retailers. Some of the boutiques that Kingsmen will be working on at MBS include Tiffany & Co and Chanel. The group expects to recognised the bulk of the revenue of these projects by 2H10. Longer term, the global expansion of its long-standing blue-chip clients will continue to boost its orderbook.

Figure 2: Potential theme park projects

Project name	Date Of Completion	Project size (S\$ billion)
Ferrari World Abu Dhabi	Year 2010	Not available
Universal Studios Dhubailand	Year 2010	3.1
Integrated Resorts - Vietnam	>Year 2010	8.7
Universal Studios - South Korea	Year 2012	4.3
Legoland at Iskandar	Year 2013	0.3
Disneyland Shanghai	Year 2014	5.4
Total		21.9

Source: Government agencies, CNBC

Beneficiary of upturn in retail spending

Given the upturn in retail spending in Asia, many retailers are rekindling their expansion plans. Kingsmen stands to benefit from this development thanks to its niche in interior fit-out for retail boutiques and an established clientele comprising blue-chip customers such as Burberry, Luxury Venture, Polo Ralph Lauren, Swarovski, The Hour Glass and Tiffany & Co.

As most of its customers have a global presence, the group not only fits out their shops in Singapore but also across the world. The prospects seem promising as most of these internationally-renowned brands are starting to expand globally in order to ride the recovery in Asia's retail sector. For example, Burberry is planning to open between 20-30 stores in the year to March 2011, biased towards the Americas and Asia Pacific.

Within the region, Kingsmen is enjoying the strong demand for roll-out management services for its key clients. Its fixture export business to the US and Europe, which involves exporting fixtures to its retail clientele without the need to fit out, is also showing good performance. The business, though small at less than 10% of the group's FY09 revenue, is

seeing rapid growth and higher margins. In our view, this scalable fixture export business, may turn out to be a key growth driver for the interior division.

Valuation and recommendation

In our view, Kingsmen is on track to achieve another record year by capitalising on its solid balance-sheet strength and net cash of \$21.5m to grow. The stock is trading at an undemanding PER of 6.4x and offers an attractive dividend yield of 6.3%. There is no change to our earnings estimates. Maintain BUY and our target price of \$0.85.

Figure 3: Sum-of-parts valuation

FYE Dec	S\$m	Remarks
Estimated net profit from Exhibitions & Museums division	7.4	assumes 5.5% net margins Benchmark against closest peer : Pico Far East
Market value of business on PER of 11x	81.8	
Estimated net profit from retail interiors & others	7.7	Premium ratings given on its market leadership and brand equity
Market value of business on PER of 8x	61.8	
Total value of businesses	143.6	
Excess cash	21.5	
Implied Mkt Cap	165.1	
Issued shares (post-placement of 20m new shares in Apr-07 and 4m shares in June-08)	194.2	
Fair Value Per Share (\$)	0.85	

Source: Kim Eng estimates

Profit and Loss

YE Dec (\$m)	2008	2009	2010F	2011F	2012F
Sales	190.6	242.0	256.1	270.2	285.1
Cost of goods sold	132.0	182.5	189.0	198.9	209.3
Gross Profit	58.5	59.5	67.1	71.3	75.8
Operating expenses	42.5	44.5	48.6	51.5	54.1
Operating Profit	16.0	15.1	18.5	19.9	21.7
Net interest	0.3	0.0	0.3	0.3	0.3
Interest income	0.1	0.1	0.2	0.2	0.2
Interest expense	-0.2	-0.1	-0.1	-0.1	-0.1
Net investment income/(loss).	3.2	3.5	2.5	2.5	2.5
Net other income.JV+Assoc	0.3	0.3	0.3	0.3	0.3
Net exceptional items	0.0	0.0	0.0	0.0	0.0
Pretax income	19.0	18.9	21.6	23.0	24.8
Income taxes	3.5	3.2	3.9	4.1	4.5
Minority interest	1.3	0.8	1.5	1.5	1.5
Net profit	14.2	14.9	16.2	17.3	18.8
EBITDA	20.0	18.8	20.4	22.0	24.0
EPS (\$ cts)	7.46	7.87	8.56	9.15	9.94

Source: Company data, Kim Eng estimates

Balance Sheet

YE Dec (\$m)	2008	2009	2010F	2011F	2012F
Total assets	108.8	138.2	163.1	191.0	222.3
Current assets	81.7	114.6	139.5	167.4	199.1
Cash & ST investment	24.3	22.8	22.5	24.0	22.7
Inventories	6.8	10.2	12.7	14.6	16.8
Accounts receivable	36.7	75.7	98.4	123.0	153.7
Others	13.9	5.9	5.9	5.9	5.9
Other assets	27.1	23.6	23.7	23.5	23.2
LT investments	8.0	7.4	7.4	7.4	7.4
Net fixed assets	12.2	9.8	9.9	9.8	9.4
Others	6.9	6.4	6.4	6.4	6.4
Total liabilities	63.4	83.3	98.5	116.0	136.0
Current liabilities	61.8	82.0	95.2	110.7	128.7
Accounts payable	27.2	37.1	43.7	51.6	60.9
ST borrowings	0.8	1.0	1.0	1.0	1.0
Others	33.8	43.9	50.5	58.0	66.7
Long-term liabilities	1.6	1.3	3.3	5.3	7.3
Long-term debts	0.6	0.3	0.3	0.3	0.3
Others (Deferred tax)	3.7	1.0	3.0	5.0	7.0
Shareholder's equity	42.7	54.9	64.6	75.0	86.3
Paid-in capital	23.3	23.3	23.3	23.3	23.3
Reserve	19.4	31.6	41.3	51.7	63.0
NTA	35.8	48.5	58.2	68.6	79.9

Source: Company data, Kim Eng estimates

Cash Flow

YE Dec (\$m)	2008	2009	2010F	2011F	2012F
Operating cash flow	25.8	1.4	6.1	8.4	6.2
Net profit	19.0	18.9	16.2	17.3	18.8
Depreciation & amortisation	4.0	3.7	1.9	2.1	2.3
Change in working capital	4.6	-18.5	-12.0	-11.1	-14.9
Others	-1.7	-2.7	0.0	0.0	0.0
Investment cash flow	-11.2	-0.3	-2.0	-2.0	-2.0
Net capex	-10.6	-1.3	-2.0	-2.0	-2.0
Change in LT investment	-0.4	1.1	0.0	0.0	0.0
Change in other assets	-0.2	-0.1	0.0	0.0	0.0
Cash flow after invt.	14.6	1.1	4.1	6.4	4.2
Financing cash flow	-7.9	-8.5	-4.5	-4.9	-5.5
Change in share capital	1.6	0.0	0.0	0.0	0.0
Net change in debt	-0.8	-2.5	0.0	0.0	0.0
Change in other LT liab.	-8.7	-6.0	-4.5	-4.9	-5.5
Net cash flow	6.7	-7.3	-0.3	1.5	-1.3

Source: Company data, Kim Eng estimates

Key Ratios

YE Dec	2008	2009	2010F	2011F	2012F
Growth (% YoY)					
Sales	30.4	27.0	5.8	5.5	5.5
OP	66.0	-6.0	22.9	7.3	9.2
EBITDA	76.4	-6.1	8.7	7.6	9.3
NP	51.4	5.1	8.8	6.9	8.7
EPS	-5.2	5.5	8.7	6.9	8.7
Profitability (%)					
Gross margin	30.7	24.6	26.2	26.4	26.6
Operating margin	8.4	6.2	7.2	7.4	7.6
EBITDA margin	10.5	7.8	8.0	8.1	8.4
Net Profit margin	7.4	6.2	6.3	6.4	6.6
ROA	13.6	12.1	10.8	9.8	9.1
ROE	36.1	30.5	27.1	24.8	23.4
Stability					
Gross debt/equity (%)	3.4	2.4	2.0	1.7	1.5
Net debt/equity (%)	-53.6	-39.2	-32.8	-30.2	-24.8
Int. coverage (X)	-95.4	-116.9	-159.5	-190.3	-230.9
Int. & ST debt coverage (X)	23.8	17.0	20.6	21.8	23.6
Cash flow int. coverage (X)	-153.7	-10.7	-53.0	-80.3	-66.3
Cash flow int. & ST debt (X)	38.4	1.6	6.8	9.2	6.8
Current ratio (X)	1.3	1.4	1.5	1.5	1.5
Quick ratio (X)	1.2	1.3	1.3	1.4	1.4
Net debt/(cash)(\$ m)	-22.9	-21.5	-21.2	-22.7	-21.4
Per share data (cts)					
EPS	7.5	7.9	8.6	9.1	9.9
CFPS	11.7	11.5	9.2	9.9	10.7
BVPS	22.0	28.3	33.3	38.6	44.4
SPS	98.1	124.6	131.9	139.2	146.8
EBITDA/share	10.3	9.7	10.5	11.3	12.4
DPS	3.0	3.5	3.4	3.7	4.0

Source: Company data, Kim Eng estimates

SINGAPORE

Stephanie WONG *Head of Research*
Regional Head of Institutional Research
+65 6432 1451 swong@kimeng.com

- Strategy
- Small & Mid Caps

Gregory YAP

+65 6432 1450 gyap@kimeng.com
Conglomerates
Technology & Manufacturing
Transport & Telcos

Rohan SUPPIAH

+65 6432 1455 rohan@kimeng.com
Airlines
Marine & Offshore

Pauline LEE

+65 6432 1453 paulinelee@kimeng.com
Bank & Finance
Consumer
Retail

Wilson LIEW

+65 6432 1454 wilsonliew@kimeng.com
Hotel & Resort
Property & Construction

Anni KUM

+65 6432 1470 annikum@kimeng.com
Industrials
REITs

James KOH

+65 6432 1431 jameskoh@kimeng.com
Infrastructure
Resources

David LOOMIS

+65 6432 1417 dloomis@kimeng.com
Special Situations

HONG KONG / CHINA

Edward FUNG *Head of Research*

+852 2268 0632 edwardfung@kimeng.com.hk
Power
Construction

Ivan CHEUNG

+852 2268 0634 ivancheung@kimeng.com.hk
Property

Ivan LI

+852 2268 0641 ivanli@kimeng.com.hk
Banking & Finance

TAM Tsz Wang

+852 2268 0636 tamtszwang@kimeng.com.hk
Telcos
Small Caps

Emily LEE

+852 2268 0631 emilylee@kimeng.com.hk
Retail

Jacqueline KO

+852 2268 0633 jacquelineko@kimeng.com.hk
Food & Beverage

INDIA

Jigar SHAH *Head of Research*

+91 22 6623 2601 jigar@kimeng.co.in
Oil & Gas
Transportation

Anubhav GUPTA

+91 22 6623 2605 agupta@kimeng.co.in
Property
Capital goods

Urmil SHAH

+91 22 6623 2606 urmil@kimeng.co.in
Software
Telecom

R. SRINIVASAN

+912266232625 rsrinivasan@kimeng.co.in
Banking and Financial services

Nikhil Agarwal

+912266232611 nikhil@kimeng.co.in
Cement
Metals

MALAYSIA

YEW Chee Yoon *Head of Research*

+603 2141 1555 cheeyoon@kimengkl.com
Strategy
Banks
Telcos
Property
Conglomerates & others

LIEW Mee Kien

+603 2141 1555 meekien@kimengkl.com
Gaming
Media
Power
Construction

Research Team

+603 2141 1555
Food & Beverage
Manufacturing
Plantations
Tobacco
Technology

INDONESIA

Katarina SETIAWAN *Head of Research*

+6221 2557 1125 ksetiawan@kimeng.co.id
Consumer
Infra
Shipping
Strategy
Telcos
Others

Ricardo SILAEN

+6221 2557 1126 rsilaen@kimeng.co.id
Auto
Energy
Heavy Equipment
Property
Resources

Rahmi MARINA

+6221 2557 1128 rmarina@kimeng.co.id
Banking

Lucky ARIESANDI, CFA

+6221 2557 1127 lariesandi@kimeng.co.id
Cement
Construction
Pharmaceutical
Retail

Adi N. WICAKSONO

+6221 2557 1130 anwicaksono@kimeng.co.id
Generalist

Arwani PRANADJAYA

+6221 2557 1129 apranadjaya@kimeng.co.id
Technical analyst

VIETNAM

Nguyen Thi Ngan Tuyen

+84 838 38 66 36 x 163 tuyen.nguyen@kimeng.com.vn
Pharmaceutical
Confectionary and Beverage
Oil and Gas

Ngo Bich Van

+84 838 38 66 36 x 164 van.ngo@kimeng.com.vn
Bank
Insurance

Nguyen Quang Duy

+84 838 38 66 36 x 162 duy.nguyenquang@kimeng.com.vn
Shipping
Seafood
Rubber

Trinh Thi Ngoc Diep

+84 838 38 66 36 x 166 diep.trinh@kimeng.com.vn
Property
Construction

THAILAND

Naphat CHANTARASERKUL

+662 658 6300 x 4770 naphat.c@kimeng.co.th
Energy

Supattra KHONGRUNGPHAKORN

+662 6586300 ext 4800 supattra.k@kimeng.co.th
Media & Publishing
Retail
Information & Communication Technology

Kanchan KHANJOU

+662 658 6300 x 4750 kanchan@kimeng.co.th
Banks
Construction Materials

KELIVE Thailand (for retail clients)

George HUEBSCH *Head of Research*
+662 658 6300 ext 1400 george.h@kimeng.co.th

PHILIPPINES

Ricardo PUIG *Head of Research*

+63 2 849 8835 ricardo_puig@atr.com.ph
Strategy
Property
Telcos

Laura DY-LIACCO

+63 2 849 8840 laura_dyliacco@atr.com.ph
Utilities
Conglomerates

Robin SARMIENTO

+63 2 849 8839 robin_sarmiento@atr.com.ph
Banking
Ports
Mining

Lovell SARREAL

+63 2 849 8836 luz_lorenzo@atr.com.ph
Consumer
Cement
Media

REGIONAL

Luz LORENZO *Economist*

+63 2 849 8836 luz_lorenzo@atr.com.ph
Economics

TAIWAN
Gary Chia

Head of Greater China Research
+886 2 3518 7900 gary.chia@yuanta.com

Boris Markovich

COO, Greater China Research
+852 3969 9518 boris.markovic@yuanta.com

John Brebeck, CFA

Head of Taiwan Strategy
Head of Research, Taiwan
+886 2 3518 7906 john.brebeck@yuanta.com

George Chang, CFA

Head of Upstream Tech
+886 2 3518 7907 george.chang@yuanta.com

Vincent Chen

Head of Downstream Tech
+886 2 3518 7903 vincent.chen@yuanta.com

Dennis Chan – NB Supply Chain

+886 2 3518 7913 dennis.chan@yuanta.com

Andrew C Chen – IC Backend

+886 2 3518 7940 andrew.chen@yuanta.com

Ellen Chiu – Taiwan Consumer

+886 2 3518 7936 ellen.chiu@yuanta.com

Danny Ho – Taiwan Petrochemical

+886 2 3518 7923 danny.ho@yuanta.com

Min Li – Alternative Energy

+852 3969 9521 min.li@yuanta.com

May Lin – Taiwan Telecom

+886 2 3518 7942 may.lin@yuanta.com

Tess Wang – Taiwan Financials

+886 2 3518 7901 tess.wang@yuanta.com

Recommendation definitions

Our recommendation is based on the following expected price performance within 12 months:

+15% and above: BUY

-15% to +15%: HOLD

-15% or worse: SELL

**APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLOSURES
AND
DISCLAIMERS**

This report, and any electronic access to it, is restricted to and intended only for clients of Kim Eng Research Pte. Ltd. ("KER") or a related entity to KER (as the case may be) who are institutional investors (for the purposes of both the Singapore Securities and Futures Act ("SFA") and the Singapore Financial Advisers Act ("FAA")) and who are allowed access thereto (each an "Authorised Person") and is subject to the terms and disclaimers below.

IF YOU ARE NOT AN AUTHORISED PERSON OR DO NOT AGREE TO BE BOUND BY THE TERMS AND DISCLAIMERS SET OUT BELOW, YOU SHOULD DISREGARD THIS REPORT IN ITS ENTIRETY AND LET KER OR ITS RELATED ENTITY (AS RELEVANT) KNOW THAT YOU NO LONGER WISH TO RECEIVE SUCH REPORTS.

This report provides information and opinions as reference resource only. This report is not intended to be and does not constitute financial advice, investment advice, trading advice or any other advice. It is not to be construed as a solicitation or an offer to buy or sell any securities or related financial products. The information and commentaries are also not meant to be endorsements or offerings of any securities, options, stocks or other investment vehicles.

The report has been prepared without regard to the individual financial circumstances, needs or objectives of persons who receive it. The securities discussed in this report may not be suitable for all investors. Readers should not rely on any of the information herein as authoritative or substitute for the exercise of their own skill and judgment in making any investment or other decision. Readers should independently evaluate particular investments and strategies, and are encouraged to seek the advice of a financial adviser before making any investment or entering into any transaction in relation to the securities mentioned in this report. The appropriateness of any particular investment or strategy whether opined on or referred to in this report or otherwise will depend on an investor's individual circumstances and objectives and should be confirmed by such investor with his advisers independently before adoption or implementation (either as is or varied). You agree that any and all use of this report which you make, is solely at your own risk and without any recourse whatsoever to KER, its related and affiliate companies and/or their employees. You understand that you are using this report AT YOUR OWN RISK.

This report is being disseminated to or allowed access by Authorised Persons in their respective jurisdictions by the Kim Eng affiliated entity/entities operating and carrying on business as a securities dealer or financial adviser in that jurisdiction (collectively or individually, as the context requires, "Kim Eng") **which has, vis-à-vis a relevant Authorised Person, approved of, and is solely responsible in that jurisdiction for, the contents of this publication in that jurisdiction.**

Kim Eng, its related and affiliate companies and/or their employees may have investments in securities or derivatives of securities of companies mentioned in this report, and may trade them in ways different from those discussed in this report. Derivatives may be issued by Kim Eng its related companies or associated/affiliated persons.

Kim Eng and its related and affiliated companies are involved in many businesses that may relate to companies mentioned in this report. These businesses include market making and specialised trading, risk arbitrage and other proprietary trading, fund management, investment services and corporate finance.

Except with respect the disclosures of interest made above, this report is based on public information. Kim Eng makes reasonable effort to use reliable, comprehensive information, but we make no representation that it is accurate or complete. The reader should also note that unless otherwise stated, none of Kim Eng or any third-party data providers make ANY warranties or representations of any kind relating to the accuracy, completeness, or timeliness of the data they provide and shall not have liability for any damages of any kind relating to such data.

Proprietary Rights to Content. The reader acknowledges and agrees that this report contains information, photographs, graphics, text, images, logos, icons, typefaces, and/or other material (collectively "Content") protected by copyrights, trademarks, or other proprietary rights, and that these rights are valid and protected in all forms, media, and technologies existing now or hereinafter developed. The Content is the property of Kim Eng or that of third party providers of content or licensors. The compilation (meaning the collection, arrangement, and assembly) of all content on this report is the exclusive property of Kim Eng and is protected by Singapore and international copyright laws. The reader may not copy, modify, remove, delete, augment, add to, publish, transmit, participate in the transfer, license or sale of, create derivative works from, or in any way exploit any of the Content, in whole or in part, except as specifically permitted herein. If no specific restrictions are stated, the reader may make one copy of select portions of the Content, provided that the copy is made only for personal, information, and non-commercial use and that the reader does not alter or modify the Content in any way, and maintain any notices contained in the Content, such as all copyright notices, trademark legends, or other proprietary rights notices. Except as provided in the preceding sentence or as permitted by the fair dealing privilege under copyright laws, the reader may not reproduce, or distribute in any way any Content without obtaining permission of the owner of the copyright, trademark or other proprietary right. Any authorised/permited distribution is restricted to such distribution not being in violation of the copyright of Kim Eng only and does not in any way represent an endorsement of the contents permitted or authorised to be distributed to third parties.

Additional information on mentioned securities is available on request.

Jurisdiction Specific Additional Disclaimers:

THIS RESEARCH REPORT IS STRICTLY CONFIDENTIAL TO THE RECIPIENT, MAY NOT BE DISTRIBUTED TO THE PRESS OR OTHER MEDIA, AND MAY NOT BE REPRODUCED IN ANY FORM AND MAY NOT BE TAKEN OR TRANSMITTED INTO THE REPUBLIC OF KOREA, OR PROVIDED OR TRANSMITTED TO ANY KOREAN PERSON. FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF SECURITIES LAWS IN THE REPUBLIC OF KOREA. BY ACCEPTING THIS REPORT, YOU AGREE TO BE BOUND BY THE FOREGOING LIMITATIONS.

THIS RESEARCH REPORT IS STRICTLY CONFIDENTIAL TO THE RECIPIENT, MAY NOT BE DISTRIBUTED TO THE PRESS OR OTHER MEDIA, AND MAY NOT BE REPRODUCED IN ANY FORM AND MAY NOT BE TAKEN OR TRANSMITTED INTO MALAYSIA OR PROVIDED OR TRANSMITTED TO ANY MALAYSIAN PERSON. FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF SECURITIES LAWS IN MALAYSIA. BY ACCEPTING THIS REPORT, YOU AGREE TO BE BOUND BY THE FOREGOING LIMITATIONS.

Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply if the reader is receiving or accessing this report in or from other than Singapore.

As of 24 June 2010, Kim Eng Research Pte. Ltd. and the covering analyst do not have any interest in Kingsmen Creatives.

Analyst Certification:

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

© 2010 Kim Eng Research Pte Ltd. All rights reserved. Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of Kim Eng Research Pte. Ltd. Kim Eng Research Pte. Ltd. accepts no liability whatsoever for the actions of third parties in this respect.

Singapore

Kim Eng Securities Pte Ltd
Kim Eng Research Pte Ltd
 9 Temasek Boulevard
 #39-00 Suntec Tower 2
 Singapore 038989

Tel: +65 6336 9090
 Fax: +65 6339 6003

LAU Wai Kwok (sales)
 lauwk@kimeng.com

Stephanie WONG (research)
 swong@kimeng.com

Hong Kong

Kim Eng Securities (HK) Ltd
 Level 30,
 Three Pacific Place,
 1 Queen's Road East,
 Hong Kong

Tel: +852 2268 0800
 Fax: +852 2877 0104

Ray LUK (sales)
 rluk@kimeng.com.hk

Edward FUNG (research)
 edwardfung@kimeng.com.hk

Philippines

ATR-Kim Eng Securities Inc.
 17/F, Tower One & Exchange Plaza
 Ayala Triangle, Ayala Avenue
 Makati City, Philippines 1200

Tel: +63 2 849 8888
 Fax: +63 2 848 5738

Lorenzo ROXAS (sales)
 lorenzo_roxas@atr.com.ph

Ricardo PUIG (research)
 ricardo_puig@atr.com.ph

South Asia Sales Trading

Connie TAN
 connie@kimeng.com
 Tel: +65 6333 5775
 US Toll Free: +1 866 406 7447

London

Kim Eng Securities (London) Ltd
 6/F, 20 St. Dunstan's Hill
 London EC3R 8HY, UK

Tel: +44 20 7621 9298
 Dealers' Tel: +44 20 7626 2828
 Fax: +44 20 7283 6674

Giles WALSH (sales)
 gwals@kimeng.co.uk

Geoff HO (sales)
 gho@kimeng.co.uk

James JOHNSTONE (sales)
 jjohnstone@kimeng.co.uk

Thailand

Kim Eng Securities (Thailand)
Public Company Limited
 999/9 The Offices at Central World,
 20th - 21st Floor,
 Rama 1 Road, Pathumwan,
 Bangkok 10330, Thailand

Tel: +66 2 658 6817 (sales)
 Tel: +66 2 658 6801 (research)

Vikas KAWATRA (sales)
 vkawatra@kimeng.co.th

Naphat CHANTARASEREKUL (research)
 naphat.c@kimeng.co.th

Vietnam

Kim Eng Vietnam Securities Joint Stock
Company
 1st Floor, 255 Tran Hung Dao St.
 District 1
 Ho Chi Minh City, Vietnam

Tel : +84 838 38 66 36
 Fax : +84 838 38 66 39

Mai Phan Lam Hoa (sales)
 Hoa.maiph@kimeng.com.vn

North Asia Sales Trading

Eddie LAU
 eddielau@kimeng.com.hk
 Tel: +852 2268 0800
 US Toll Free: +1 866 598 2267

New York

Kim Eng Securities USA Inc
 406, East 50th Street
 New York, NY 10022, U.S.A.

Tel: +1 212 688 8886
 Fax: +1 212 688 3500

Jeffrey S. SEO (sales)
 jseo@kesusa.com

Warren KIM (trading)
 wkim@kesusa.com

Indonesia

PT Kim Eng Securities
 Plaza Bapindo
 Citibank Tower 17th Floor
 Jl Jend. Sudirman Kav. 54-55
 Jakarta 12190, Indonesia

Tel: +62 21 2557 1188
 Fax: +62 21 2557 1189

Kurnia SALIM (sales)
 ksalm@kimeng.co.id

Katarina SETIAWAN (research)
 ksetiawan@kimeng.co.id

India

Kim Eng Securities India Pvt Ltd
 2nd Floor, The International,
 Plot No.16, Maharishi Karve Road,
 Churchgate Station,
 Mumbai City - 400 020, India

Tel: +91.22.6623.2600
 Fax: +91.22.6623.2604

Vikas KAWATRA (sales)
 vkawatra@kimeng.co.th

Jigar SHAH (research)
 jigar@kimeng.co.in

North America Sales Trading

Warren KIM
 wkim@kesusa.com
 Tel: +1 212 688 8886

Taiwan

Yuanta Securities Investment
Consulting Co.
 10/F, No 225, Nanking East Rd
 Section 3
 Taipei 104, Taiwan

Tel: +886 2 8770-6078
 Fax: +886 2 2546-0376

Arthur LO (sales)
 arthur.lo@yuanta.com.tw

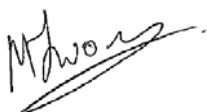
Gary CHIA (research)
 Gary.chia@yuanta.com.tw

Malaysia

Kim Eng Research Sdn Bhd
 16/F, Kompleks Antarabangsa
 Jalan Sultan Ismail
 50250 Kuala Lumpur, Malaysia

Tel: +603 2141 1555
 Fax: +603 2141 1045

YEW Chee Yoon (research)
 cheeyoon@kimengkl.com



Stephanie Wong
 CEO, Kim Eng Research