

**UNAUDITED RESULTS FOR FIRST QUARTER ENDED 31 MARCH 2012**
**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),  
HALF-YEAR AND FULL YEAR RESULTS**
**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Note	Group		+/- %
		3 Months Ended		
		31 Mar 12 S\$'000	31 Mar 11 S\$'000 (Reclassified)	
<b>Revenue</b>		46,917	36,127 *	29.9%
Cost of sales		(34,138)	(25,574)	33.5%
<b>Gross profit</b>		12,779	10,553	21.1%
<b>Other items of income</b>				
Interest income		31	101	-69.3%
Other income	(a)	1,094	993 *	10.2%
<b>Other items of expense</b>				
Depreciation of property, plant and equipment		(378)	(323)	17.0%
Staff salaries and related expenses		(8,339)	(7,129)	17.0%
Other expenses		(3,072)	(2,587)	18.7%
Interest expense		(60)	(21)	185.7%
<b>Share of results of associates</b>		204	(1)	n/m
<b>Profit before tax</b>	(b)	2,259	1,586	42.4%
Income tax expense	(c)	(268)	(265)	1.1%
<b>Profit net of tax</b>		1,991	1,321	50.7%
<b>Profit attributable to:</b>				
Owners of the Company		2,075	1,382	50.1%
Non-controlling interests		(84)	(61)	37.7%
		1,991	1,321	
<b>Consolidated statement of comprehensive income</b>				
<b>Profit net of tax</b>		1,991	1,321	50.7%
Other comprehensive income:				
Foreign currency translation		(666)	(368)	81.0%
Other comprehensive income for the period, net of tax		(666)	(368)	81.0%
Total comprehensive income for the period		1,325	953	39.0%
<b>Total comprehensive income attributable to:</b>				
Owners of the Company		1,448	1,064	36.1%
Non-controlling interests		(123)	(111)	10.8%
		1,325	953	

Note

n/m = not meaningful

\* = labour services income has been reclassified from revenue to other income to conform to current year's classification.

**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)**

**Explanatory notes to income statement**

(a) Other income comprises :

	<b>Group</b>	
	<b>3 Months Ended</b>	
	<b>31 Mar 12</b>	<b>31 Mar 11</b>
	S\$'000	S\$'000
		(Reclassified)
Corporate fee income	261	213
Labour services income	416	347
Net allowance for doubtful trade debts	-	8
Net gain on disposal of property, plant & equipment	-	4
Rental income	338	317
Miscellaneous income	79	104
	<b>1,094</b>	<b>993</b>

(b) The following items have been included in arriving at profit before tax :-

	<b>Group</b>	
	<b>3 Months Ended</b>	
	<b>31 Mar 12</b>	<b>31 Mar 11</b>
	S\$'000	S\$'000
Amortisation of intangible assets	76	77
Net bad trade debts written off	-	9
Directors' remuneration	1,285	1,191
Inventories recognised as an expense in cost of sales	24	32
Net foreign exchange loss	163	15
Operating lease expenses	814	829
Property, plant and equipment written off	-	2

(c) Included in income tax expense are over-provision of income tax relating to prior years of S\$89,000 for the period ended 31 March 2012 (2011: under-provision S\$9,000).

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Note	Group		Company	
		As at 31 Mar 12 S\$'000	As at 31 Dec 11 S\$'000	As at 31 Mar 12 S\$'000	As at 31 Dec 11 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment		11,265	11,181	190	201
Intangible assets	(d)	5,058	5,278	-	-
Investments in subsidiaries		-	-	20,017	20,017
Investments in associates		7,853	7,748	5,944	5,944
Other investments		543	543	543	543
Other receivables		936	943	-	-
		25,655	25,693	26,694	26,705
<b>Current assets</b>					
Inventories		51	62	-	-
Gross amount due from customers for contract work-in-progress	(e)	11,709	11,346	-	-
Trade and other receivables	(f)	87,489	95,316	2,551	2,850
Prepaid operating expenses		324	493	4	17
Amounts due from subsidiaries		-	-	802	953
Amounts due from associates		930	931	914	914
Cash and short-term deposits	(g)	43,637	33,231	2,460	1,961
		144,140	141,379	6,731	6,695
<b>Total assets</b>		<b>169,795</b>	<b>167,072</b>	<b>33,425</b>	<b>33,400</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Current liabilities</b>					
Gross amount due to customers for contract work-in-progress	(h)	18,671	2,421	-	-
Trade and other payables	(i)	64,105	78,045	959	1,326
Deferred income		4,937	5,077	-	-
Amounts due to subsidiaries		-	-	2,203	1,995
Loans and borrowings		2,939	3,152	-	-
Income tax payable		5,381	5,979	-	-
		96,033	94,674	3,162	3,321
<b>NET CURRENT ASSETS</b>		<b>48,107</b>	<b>46,705</b>	<b>3,569</b>	<b>3,374</b>
<b>Non-current liabilities</b>					
Other payables		123	107	-	-
Loans and borrowings		2,072	2,053	-	-
Deferred tax liabilities		774	770	22	22
		2,969	2,930	22	22
<b>Total liabilities</b>		<b>99,002</b>	<b>97,604</b>	<b>3,184</b>	<b>3,343</b>
<b>Net assets</b>		<b>70,793</b>	<b>69,468</b>	<b>30,241</b>	<b>30,057</b>
<b>Equity attributable to owners of the Company</b>					
Share capital		23,266	23,266	23,266	23,266
Treasury shares		(1,235)	(1,235)	(1,235)	(1,235)
Retained earnings		50,375	48,300	7,885	7,701
Other reserves		(4,084)	(3,457)	325	325
		68,322	66,874	30,241	30,057
<b>Non-controlling interests</b>		<b>2,471</b>	<b>2,594</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>70,793</b>	<b>69,468</b>	<b>30,241</b>	<b>30,057</b>
<b>Total equity and liabilities</b>		<b>169,795</b>	<b>167,072</b>	<b>33,425</b>	<b>33,400</b>

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year. (cont'd)**

**Explanatory notes to balance sheet**

(d) **Intangible assets**

	<b>Group</b>		
	<b>Goodwill</b> S\$'000	<b>Customer relationship</b> S\$'000	<b>Total</b> S\$'000
<b>Cost:</b>			
At 1 January 2011	6,025	1,563	7,588
Exchange differences	42	16	58
	<hr/>	<hr/>	<hr/>
At 31 December 2011 and 1 January 2012	6,067	1,579	7,646
Exchange differences	(136)	(50)	(186)
	<hr/>	<hr/>	<hr/>
At 31 March 2012	5,931	1,529	7,460
	<hr/>	<hr/>	<hr/>
<b>Accumulated amortisation and impairment:</b>			
At 1 January 2011	1,000	1,042	2,042
Amortisation	-	305	305
Exchange differences	-	21	21
	<hr/>	<hr/>	<hr/>
At 31 December 2011 and 1 January 2012	1,000	1,368	2,368
Amortisation	-	76	76
Exchange differences	-	(42)	(42)
	<hr/>	<hr/>	<hr/>
At 31 March 2012	1,000	1,402	2,402
	<hr/>	<hr/>	<hr/>
<b>Net carrying amount:</b>			
At 31 December 2011	5,067	211	5,278
	<hr/>	<hr/>	<hr/>
At 31 March 2012	4,931	127	5,058
	<hr/>	<hr/>	<hr/>

(e) **Gross amount due from customers for contract work-in-progress**

Included in gross amount due from customers for contract work-in-progress related to projects for HK Disneyland Mystic Point, Bank Negara Malaysia and other interior fit-out projects across Asia.

(f) **Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>As at 31 Mar 12</b> S\$'000	<b>As at 31 Dec 11</b> S\$'000	<b>As at 31 Mar 12</b> S\$'000	<b>As at 31 Dec 11</b> S\$'000
Trade receivables	81,917	88,654	1,720	1,596
Other receivables	5,572	6,662	831	1,254
	<hr/>	<hr/>	<hr/>	<hr/>
Total	87,489	95,316	2,551	2,850
	<hr/>	<hr/>	<hr/>	<hr/>

Decrease in trade receivables was partly due to progress billings and net collections received during the financial period.

(g) **Cash and short-term deposits**

	<b>Group</b>		<b>Company</b>	
	<b>As at 31 Mar 12</b> S\$'000	<b>As at 31 Dec 11</b> S\$'000	<b>As at 31 Mar 12</b> S\$'000	<b>As at 31 Dec 11</b> S\$'000
Cash at banks and in hand	29,825	24,328	960	462
Short-term deposits	13,812	8,903	1,500	1,499
	<hr/>	<hr/>	<hr/>	<hr/>
Total	43,637	33,231	2,460	1,961
	<hr/>	<hr/>	<hr/>	<hr/>

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year. (cont'd)**

**Explanatory notes to balance sheet (cont'd)**

(h) **Gross amount due to customers for contract work-in-progress**

Included in gross amount due to customers for contract work-in-progress are mainly progress billings related to project for Universal Studios Singapore and other interior fit-out projects.

(i) **Trade and other payables**

	<b>Group</b>		<b>Company</b>	
	<b>As at 31 Mar 12</b>	<b>As at 31 Dec 11</b>	<b>As at 31 Mar 12</b>	<b>As at 31 Dec 11</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Trade payables	31,661	40,760	-	-
Accrued project costs	18,036	20,857	-	-
Other payables and accruals	14,408	16,428	959	1,326
<b>Total</b>	<b>64,105</b>	<b>78,045</b>	<b>959</b>	<b>1,326</b>

Decrease in trade payables was due to net payment made during the financial period.

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

	<b>Group</b>	
	<b>As at 31 Mar 12</b>	<b>As at 31 Dec 11</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b><u>Secured</u></b>		
- repayable within one year	2,939	3,152
- repayable after one year	2,072	2,053
	<b>5,011</b>	<b>5,205</b>
<b><u>Unsecured</u></b>		
- repayable within one year	-	-
- repayable after one year	-	-
	<b>-</b>	<b>-</b>

**Details of any collateral**

Bank term loans are secured by way of a first legal charge on the Group's two factory units in Selangor, Malaysia, corporate guarantees of the Company and its subsidiaries in Malaysia and personal guarantees given by certain directors of its subsidiaries.

Bank overdrafts are secured by fixed deposits pledged to the banks, corporate guarantees of the Company and its subsidiaries in Malaysia and personal guarantees given by certain directors of its subsidiaries.

Finance lease obligations of the Group are secured by the rights to the leased equipment, machinery and motor vehicles.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Note	Group	
	3 Months Ended	
	31 Mar 12	31 Mar 11
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
Profit before tax	2,259	1,586
Adjustments for:		
Depreciation of property, plant and equipment	378	323
Net gain on disposal of property, plant and equipment	-	(4)
Property, plant & equipment written off	-	2
Bad trade debts written off	-	12
Net allowance for doubtful trade debts	-	(8)
Amortisation of intangible assets	76	77
Interest income	(31)	(101)
Interest expense	60	21
Share of results of associates	(204)	1
Currency realignment	(49)	(27)
Total adjustments	230	296
<b>Operating cash flows before changes in working capital</b>	2,489	1,882
Changes in working capital:		
Decrease in trade and other receivables	8,004	14,436
Decrease in inventories	11	30
(Increase)/decrease in gross amount due from customers for contract work-in-progress	(363)	2,865
Increase in gross amount due to customers for contract work-in-progress	16,250	2,402
Increase in deferred income	(140)	(2,669)
Decrease in trade and other payables	(13,924)	(16,593)
<b>Cash flows from operations</b>	12,327	2,353
Interest received	31	101
Interest paid	(60)	(21)
Income tax paid	(853)	(633)
<b>Net cash flows from operating activities</b>	11,445	1,800
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	-	4
Purchase of property, plant and equipment	(518)	(365)
Dividend received from associates	43	-
<b>Net cash flows used in investing activities</b>	(475)	(361)
<b>Cash flows from financial activities</b>		
Decrease in amount pledged to banks for banking facilities	-	108
Proceeds from loans and borrowings	540	712
Proceeds from reissuance of treasury shares	-	50
Repayment of finance lease obligations	(24)	(54)
Repayment of loans and borrowings	(579)	(846)
<b>Net cash flows used in financing activities</b>	(63)	(30)
<b>Net increase in cash and cash equivalents</b>	10,907	1,409
Effect of exchange rate changes on cash and cash equivalents	(365)	(240)
Cash and cash equivalents at beginning of period	31,595	28,029
<b>Cash and cash equivalents at end of period</b>	<b>42,137</b>	<b>29,198</b>

(j)

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)**

**Explanatory notes to cash flow statement**

(j) Cash and cash equivalents included in the consolidated cash flow statement comprise the following:-

	<b>Group</b>	
	<b>31 Mar 12</b>	<b>31 Mar 11</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Cash and short-term deposits	43,637	30,766
Bank overdrafts	(1)	-
	<hr/>	<hr/>
	43,636	30,766
Amount pledged to banks for banking facilities	(1,499)	(1,568)
	<hr/>	<hr/>
Cash and cash equivalents	42,137	29,198
	<hr/>	<hr/>

1(d)(i) **A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Group	Attributable to owners of the Company						
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity attributable to owners of the parent, total S\$'000	Non-controlling interests S\$'000	Equity, total S\$'000
<b>Opening balance at 1 January 2012</b>	<b>23,266</b>	<b>(1,235)</b>	<b>48,300</b>	<b>(3,457)</b>	<b>66,874</b>	<b>2,594</b>	<b>69,468</b>
Profit for the period	-	-	2,075	-	2,075	(84)	1,991
<u>Other comprehensive income</u>							
Foreign currency translation	-	-	-	(627)	(627)	(39)	(666)
Other comprehensive income for the period, net of tax	-	-	-	(627)	(627)	(39)	(666)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>2,075</b>	<b>(627)</b>	<b>1,448</b>	<b>(123)</b>	<b>1,325</b>
<b>Closing balance at 31 March 2012</b>	<b>23,266</b>	<b>(1,235)</b>	<b>50,375</b>	<b>(4,084)</b>	<b>68,322</b>	<b>2,471</b>	<b>70,793</b>
<b>Opening balance at 1 January 2011</b>	<b>23,266</b>	<b>(1,569)</b>	<b>39,291</b>	<b>(3,932)</b>	<b>57,056</b>	<b>2,344</b>	<b>59,400</b>
Profit for the period	-	-	1,382	-	1,382	(61)	1,321
<u>Other comprehensive income</u>							
Foreign currency translation	-	-	-	(318)	(318)	(50)	(368)
Other comprehensive income for the period, net of tax	-	-	-	(318)	(318)	(50)	(368)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>1,382</b>	<b>(318)</b>	<b>1,064</b>	<b>(111)</b>	<b>953</b>
<u>Contributions by and distributions to owners</u>							
Treasury shares reissued pursuant to grant of share rewards	-	35	-	15	50	-	50
Total contribution by and distributions to owners	-	35	-	15	50	-	50
<b>Total transactions with owners in their capacity as owners</b>	<b>-</b>	<b>35</b>	<b>-</b>	<b>15</b>	<b>50</b>	<b>-</b>	<b>50</b>
<b>Closing balance at 31 March 2011</b>	<b>23,266</b>	<b>(1,534)</b>	<b>40,673</b>	<b>(4,235)</b>	<b>58,170</b>	<b>2,233</b>	<b>60,403</b>



**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)**

Company	Attributable to owners of the Company				
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity, total S\$'000
Opening balance at 1 January 2012	23,266	(1,235)	7,701	325	30,057
Profit for the period	-	-	184	-	184
Other comprehensive income for the period, net of tax	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>184</b>	<b>-</b>	<b>184</b>
Closing balance at 31 March 2012	23,266	(1,235)	7,885	325	30,241
Opening balance at 1 January 2011	23,266	(1,569)	5,154	173	27,024
Profit for the period	-	-	54	-	54
Other comprehensive income for the period, net of tax	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>54</b>	<b>-</b>	<b>54</b>
<u>Contributions by and distributions of owners</u>					
Treasury shares reissued pursuant to grant of share rewards	-	35	-	15	50
<b>Total transactions with owners in their capacity as owners</b>	<b>-</b>	<b>35</b>	<b>-</b>	<b>15</b>	<b>50</b>
Closing balance at 31 March 2011	23,266	(1,534)	5,208	188	27,128

**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 well as the number of shares held as treasury shares, if any, against the total number of issued shares, excluding treasury shares of the issuer, 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.**

**Share capital and treasury shares**

	Group and Company	
	31 Mar 12 '000	31 Dec 11 '000
Issued and fully paid-up share capital:		
As at beginning and end of period / year	194,183	194,183
Treasury shares:		
As at beginning of period / year	(3,204)	(4,071)
Treasury shares reissued pursuant to:		
- performance share scheme	-	778
- grant of share rewards	-	89
As at end of period / year	(3,204)	(3,204)

- 1(d)(iii) 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.**

	<b>Group and Company</b>	
	<b>31 Mar 12</b>	<b>31 Dec 11</b>
	'000	'000
Total number of issued shares (excluding treasury shares)	190,979	190,979

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

	<b>Group and Company</b>			
	<b>31 Mar 12</b>		<b>31 Dec 11</b>	
	<b>No. of shares</b>		<b>No. of shares</b>	
	'000	S\$'000	'000	S\$'000
As at beginning of period / year	(3,204)	(1,235)	(4,071)	(1,569)
Treasury shares reissued pursuant to:				
- performance share scheme	-	-	778	299
- grant of share rewards	-	-	89	35
As at end of period / year	(3,204)	(1,235)	(3,204)	(1,235)

- 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 by the auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 and the Company have applied the same accounting policies and methods of computation in the current year's financial statements as compared with those used in the audited financial statements for the year ended 31 December 2011.

- 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.**

Not applicable.

**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.**

	<b>Group</b>	
	<b>3 Months Ended</b>	
	<b>31 Mar 12</b>	<b>31 Mar 11</b>
Net profit for the period attributable to ordinary shareholders for basic and diluted earnings per share (S\$'000)	2,075	1,382
Weighted average number of ordinary shares in issue ('000)	190,979	190,135
Effect of dilutive securities : Share options ('000)	-	-
Adjusted weighted average number of ordinary shares applicable to diluted earnings per shares ('000)	190,979	190,135
Earnings per share based on weighted average number of ordinary shares in issue (cents)	1.09	0.73
Earnings per share on fully diluted basis (cents)	1.09	0.73

Basic earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares, excluding treasury shares, during the period.

Diluted earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares, excluding treasury shares, after adjusting for the effects of potential dilutive ordinary shares, during the period.

**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 at the end of the:-**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	<b>Group</b>		<b>Company</b>	
	<b>As at 31 Mar 12</b>	<b>As at 31 Dec 11</b>	<b>As at 31 Mar 12</b>	<b>As at 31 Dec 11</b>
Net asset value, net of non-controlling interests (S\$'000)	68,322	66,874	30,241	30,057
Number of ordinary shares, excluding treasury shares ('000)	190,979	190,979	190,979	190,979
Net asset value per share (cents)	35.77	35.02	15.83	15.74

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

**Revenue**

	<b>Group</b>		
	<b>3 Months Ended</b>		
	<b>31 Mar 12</b>	<b>31 Mar 11</b>	<b>+/-</b>
	S\$'000	S\$'000	%
Exhibitions & Museums	21,961	12,644	73.7%
Interiors	20,422	20,299	0.6%
Research & Design	1,596	1,304	22.4%
Alternative Marketing *	2,938	1,880	56.3%
<b>Total Revenue</b>	<b>46,917</b>	<b>36,127</b>	

\* Formerly known as Integrated Marketing Communications ("IMC")

The Group achieved higher revenue of S\$46.9 million for 1Q-2012, which is an increase of S\$10.8 million or 29.9% compared to the S\$36.1 million for 1Q-2011. The increase in revenue was a result of better top-line performance across all the operating divisions.

The **Exhibitions and Museums division** performed well in 1Q-2012 with an increased revenue of S\$22.0 million, which was 73.7% higher compared to that of the same period last year. The division started off the first quarter with works at Art Stage 2012, the biennial Singapore Airshow 2012 and the Asia Pacific Maritime 2012, among various other exhibitions and events. Our works for Gardens by the Bay in Singapore, Hong Kong Disneyland and Sotheby's Visitor Centre in Hong Kong are currently progressing well.

The **Interiors division** posted revenue of S\$20.4 million, which was comparable to that of 1Q-2011. The division continues to generate stable revenue from key customers and brand names such as Aldo, Burberry, Coach, Fendi, Polo Ralph Lauren, Swarovski and Uniqlo.

Revenue from the **Research and Design division** increased by S\$0.3 million or 22.4% to S\$1.6 million for 1Q-2012. The **Alternative Marketing division** achieved higher revenue of S\$1.0 million or 56.3% to S\$2.9 million.

**Gross Profit**

	<b>Group</b>		
	<b>3 Months Ended</b>		
	<b>31 Mar 12</b>	<b>31 Mar 11</b>	<b>+/-</b>
	S\$'000	S\$'000	%
Revenue	46,917	36,127	29.9%
Gross profit	12,779	10,553	21.1%
<b>GP Margin</b>	<b>27.2%</b>	<b>29.2%</b>	

Gross profit increased by S\$2.2 million or 21.1% to S\$12.8 million as compared to S\$10.6 million in 1Q-2011. The overall gross profit margin has decreased slightly from 29.2% to 27.2%.

- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (cont'd)**

**Other Items of Income**

Interest Income relates mainly to interest income derived from fixed deposits and bank balances with the banks.

Other income comprises items set out in Note 1(a)(a).

**Other Items of Expenses**

Operating expenses increased by S\$1.7 million from S\$10.1 million for 1Q-2011 to S\$11.8 million for 1Q-2012. This was mainly due to increase in staff salaries and staff related expenses.

**Share of Results of Associates**

Higher share of profits of associates resulted mainly from better performance achieved by the associated companies, Enterprise Sports Group Pte Ltd, Kingsmen Nikko Limited and Kingsmen (Korea) Limited.

**Net Profit after MI**

The Group recorded a higher net profit after MI of S\$2.0 million, an increase of S\$0.7 million or 50.7% as compared to the S\$1.3 million achieved for 1Q-2011.

- (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Net Assets (Net of MI)**

Net assets of the Group increased by S\$1.4 million from S\$66.9 million to S\$68.3 million, contributed by the profits of the Group's business.

**Intangible Assets**

Please refer to Note 1(b)(i)(d) for the details of intangible assets. The decrease in intangible assets was due to amortisation of S\$76,000 and translation difference.

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

In our announcement on 27 February 2012, we stated that we expect the Group would continue to do well in FY2012. Our first quarter results are in line with this statement.

**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.**

Our **Exhibitions and Museums division** started the year on a strong footing with the successful completion of jobs for several exhibitions and events and has secured jobs for the rest of 2012, including Food and Hotel Asia, Tax Free Asia Pacific and BMW event launches. In progress are works on several pavilions at the Yeosu Expo 2012.

We are also progressing well with projects at Gardens by the Bay, Universal Studios Singapore, Hong Kong Disneyland, Hong Kong Maritime Museum, Sotheby's Visitor Centre in Hong Kong, Guangzhou Hengda Exhibitions Centre and various other museum projects in the region.

Our **Interiors division** continues to see good potential for growth, given the plans of international retailers to establish themselves in Asia. We intend to continue to build on our portfolio of key clients including that for roll-out programs and to serve even more global retail brands.

As at 9 May 2012, we have been awarded contracts of approximately S\$167 million for completion in FY2012. With the strong pipeline of contracts and demand for our services, we are confident to do well in FY2012, barring unforeseen circumstances.

**11. Dividend**

***(a) Current Financial Period Reported On***

Any dividend declared 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/recommendeded, a statement to that effect.**

No dividend has been declared or recommended in the current reporting period.

**13. Pursuant to Rule 1207(17), please provide the information required by Rule 907 in respect of any interested person transactions entered into during the financial period.**

No interested person transaction mandate has been obtained from the shareholders of the Company. There was no interested person transaction, as defined in Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited, entered into by the Group or by the Company during the financial period ended 31 March 2012.

**14. Confirmation by the Board pursuant to Rule 705(5) of the listing manual.**

We, Soh Siak Poh Benedict and Simon Ong Chin Sim, being Directors of Kingsmen Creatives Ltd. (the "Company"), do hereby confirm, for and on behalf of the Board of Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited interim financial results for the first quarter ended 31 March 2012 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors

Soh Siak Poh Benedict  
Executive Chairman

Simon Ong Chin Sim  
Group Managing Director

10 May 2012

**BY ORDER OF THE BOARD**

Soh Siak Poh Benedict  
Executive Chairman  
10 May 2012