



Design Studio Furniture Manufacturer Limited

(Incorporated in Singapore)
(Registration Number: 199401553D)

1st Quarter Financial Statement And Dividend Announcement For The Period Ended 31 March 2011

Design Studio Furniture Manufacturer Limited
(Registration Number: 199401553D)

1st Quarter Financial Statement and Dividend Announcement

**PART 1 - 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.

Income Statement

		Group		
		31.03.2011	31.03.2010	+ / (-)
		S\$'000	S\$'000	%
Revenue		29,502	19,831	48.8
Cost of sales		(22,565)	(14,023)	60.9
Gross profit		6,937	5,808	19.4
Other income		-	38	N.M.
		6,937	5,846	18.7
Marketing and distribution expenses		(1,078)	(764)	41.1
General and administrative expenses		(1,981)	(1,256)	57.7
Profit from operations	1(a)(1)	3,878	3,826	1.4
Finance expenses	1(a)(2)	(3)	(5)	(40.0)
Finance income	1(a)(2)	12	16	(25.0)
Share of result of an associate		2,684	116	2,213.8
Profit before tax		6,571	3,953	66.2
Tax expense	1(a)(3)	(611)	(631)	(3.2)
Profit net of tax		5,960	3,322	79.4

N.M.: Not Meaningful

Design Studio Furniture Manufacturer Limited

(Registration Number: 199401553D)

Notes to Income Statement

Note 1(a)(1) Profit from operations is determined after charging/(crediting) the following:

	Group		
	31.03.2011 S\$'000	3 Months ended 31.03.2010 S\$'000	+/(-) %
Depreciation of property, plant and equipment	780	580	34.5
Foreign exchange loss, net	355	125	184.0
(Gain)/Loss on disposal of property, plant and equipment	(3)	2	N.M.
Amortisation of club membership	1	1	-

Note 1(a)(2) Finance expenses and finance income

	Group		
	31.03.2011 S\$'000	3 Months ended 31.03.2010 S\$'000	+/(-) %
Finance expenses			
- Finance leases	1	3	(66.7)
- Bankers' guarantee and commitment fee	2	2	-
	<u>3</u>	<u>5</u>	<u>(40.0)</u>
Finance income			
- Fixed deposits	12	16	(25.0)

Note 1(a)(3) Tax include the following:

	Group		
	31.03.2011 S\$'000	3 Months ended 31.03.2010 S\$'000	+/(-) %
Current tax			
Singapore	488	560	(12.8)
Foreign	33	-	N.M.
	<u>521</u>	<u>560</u>	<u>(7.0)</u>
Deferred tax			
Singapore	72	71	1.4
Foreign	18	-	N.M.
	<u>611</u>	<u>631</u>	<u>(3.2)</u>

Design Studio Furniture Manufacturer Limited
(Registration Number: 199401553D)

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.

Balance Sheets

	Note	Group		Company	
		31.03.2011 S\$'000	31.12.2010 S\$'000	31.03.2011 S\$'000	31.12.2010 S\$'000
Non-current assets					
Property, plant and equipment		11,086	11,616	6,357	6,621
Investment in subsidiaries		-	-	275	275
Investment in an associate		9,814	7,170	2,250	2,250
Club membership		66	67	66	67
Deferred tax assets		80	98	-	-
Trade receivables	1(b)(3)	11,181	9,148	11,181	9,148
Current assets					
Inventories	1(b)(1)	8,188	9,126	1,947	1,927
Gross amount due from customers for contract work-in-progress	1(b)(2)	6,714	8,008	6,438	9,333
Trade receivables	1(b)(3)	21,515	31,457	21,234	30,939
Prepayments		1,262	1,472	387	606
Other receivables and deposits	1(b)(4)	6,812	3,406	4,804	3,317
Short term loan to a subsidiary		-	-	3,228	-
Investment securities		-	4	-	4
Tax recoverable		118	122	-	-
Cash and short-term deposits		38,273	34,701	36,777	33,446
		<u>82,882</u>	<u>88,296</u>	<u>74,815</u>	<u>79,572</u>
Current liabilities					
Trade payables	1(b)(5)	4,820	8,819	5,365	8,741
Other payables	1(b)(6)	1,358	1,429	1,124	424
Accrued operating expenses		13,342	16,262	12,556	14,495
Deposits received		1,682	1,587	817	1,587
Finance lease liabilities (current portion)	1(b)(7)	17	26	7	11
Provision for tax		3,053	3,440	3,053	3,440
		<u>24,272</u>	<u>31,563</u>	<u>22,922</u>	<u>28,698</u>
Net current assets		58,610	56,733	51,893	50,874
Non-current liabilities					
Deferred tax liabilities		169	97	169	97
Other payables		104	106	-	-
Finance lease liabilities (non-current portion)	1(b)(6)	2	3	-	-
Net assets		<u>90,562</u>	<u>84,626</u>	<u>71,853</u>	<u>69,138</u>
Share capital		30,161	30,161	30,161	30,161
Reserves		60,401	54,465	41,692	38,977
Total equity		<u>90,562</u>	<u>84,626</u>	<u>71,853</u>	<u>69,138</u>

Design Studio Furniture Manufacturer Limited

(Registration Number: 199401553D)

Notes to Balance Sheets

Note 1(b)(1) Inventories

	Group		Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
Raw materials, at cost	6,639	6,217	1,903	1,768
Work-in-progress, at cost	1,549	2,909	44	159
	<u>8,188</u>	<u>9,126</u>	<u>1,947</u>	<u>1,927</u>

Note 1(b)(2) Gross amount from customers for contract work-in-progress

	Group		Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
Aggregate amount of costs incurred and recognised profits (less recognised losses) to date	274,939	261,450	266,299	255,220
Less: Progress billings	<u>(268,225)</u>	<u>(253,442)</u>	<u>(259,861)</u>	<u>(245,887)</u>
	<u>6,714</u>	<u>8,008</u>	<u>6,438</u>	<u>9,333</u>
Presented as:				
Gross amount due from customers for contract work	6,714	8,008	6,438	9,333
Gross amount due to customers for contract work	-	-	-	-
	<u>6,714</u>	<u>8,008</u>	<u>6,438</u>	<u>9,333</u>

Note 1(b)(3) Trade receivables

	Group		Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables (non-current):				
<u>Retention monies:</u>				
Third parties	7,014	5,045	7,014	5,045
Corporate shareholder(s)	3,203	3,271	3,203	3,271
Associate	964	832	964	832
	<u>11,181</u>	<u>9,148</u>	<u>11,181</u>	<u>9,148</u>
Trade receivables (current):				
<u>Third parties:</u>				
Trade receivables	14,011	17,645	13,789	17,191
Retention monies	2,738	3,981	2,679	3,917
	<u>16,749</u>	<u>21,626</u>	<u>16,468</u>	<u>21,108</u>
Less: Allowance for doubtful receivables	-	-	-	-
	<u>16,749</u>	<u>21,626</u>	<u>16,468</u>	<u>21,108</u>
Movement in allowance accounts				
At beginning of the year	-	(1)		
Charge for the period/year	-	(2)		
Written off during the period/year	-	3		
At end of the period/year	-	-		
<u>Corporate shareholders:</u>				
Trade receivables	597	608	597	608
Retention monies	310	316	310	316
	<u>907</u>	<u>924</u>	<u>907</u>	<u>924</u>

Design Studio Furniture Manufacturer Limited
(Registration Number: 199401553D)

	Group		Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
Associate:				
Trade receivables	3,469	8,104	3,469	8,104
Retention monies	390	803	390	803
	<u>3,859</u>	<u>8,907</u>	<u>3,859</u>	<u>8,907</u>

Note 1(b)(4) Other receivables and deposits

	Group		Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
Third parties:				
Other receivables	47	63	77	70
Deposits	6,715	3,343	4,332	2,929
	<u>6,762</u>	<u>3,406</u>	<u>4,409</u>	<u>2,999</u>
Amount due from an associate	50	-	50	-
Amount due from subsidiaries	-	-	345	318
	<u>6,812</u>	<u>3,406</u>	<u>4,804</u>	<u>3,317</u>

Note 1(b)(5) Trade payables

	Group		Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
Amount due to third parties	4,711	8,663	3,048	6,438
Amount due to subsidiaries	-	-	2,317	2,279
Amount due to an associate	-	24	-	24
Amount due to a corporate shareholder	109	132	-	-
	<u>4,820</u>	<u>8,819</u>	<u>5,365</u>	<u>8,741</u>

Note 1(b)(6) Other payables

	Group		Company	
	31.03.2011	31.12.2010	31.03.2011	31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
Amount due to third parties	1,346	1,429	1,124	424
Amount due to an associate	12	-	-	-
	<u>1,358</u>	<u>1,429</u>	<u>1,124</u>	<u>424</u>

Design Studio Furniture Manufacturer Limited (Registration Number: 199401553D)

Note 1(b)(7) Finance lease liabilities

	Minimum lease payments 31.03.2011 S\$'000	Present value of payments 31.03.2011 S\$'000	Minimum lease payments 31.12.2010 S\$'000	Present value of payments 31.12.2010 S\$'000
Group				
Not later than one year	19	17	28	26
Later than one year but not later than five years	2	2	3	3
Total minimum lease payments	21	19	31	29
Less: Amounts representing finance charges	(2)	-	(2)	-
Present value of minimum lease payments	19	19	29	29
Company				
Not later than one year	8	7	12	11
Later than one year but not later than five years	-	-	-	-
Total minimum lease payments	8	7	12	11
Less: Amounts representing finance charges	(1)	-	(1)	-
Present value of minimum lease payments	7	7	11	11

1(b)(ii) Aggregate amount of group's borrowings and debts securities

Amount repayable in one year or less, or on demand

As at 31.03.2011		As at 31.12.2010	
S\$'000 Secured	S\$'000 Unsecured	S\$'000 Secured	S\$'000 Unsecured
17	-	26	-

Amount repayable after one year

As at 31.03.2011		As at 31.12.2010	
S\$'000 Secured	S\$'000 Unsecured	S\$'000 Secured	S\$'000 Unsecured
2	-	3	-

Details of any collateral

As at 31 March 2011, our Group's borrowings are secured by the following:

- (i) pledge of fixed deposit of the Company amounting to approximately S\$2,748,000 (31 December 2010: S\$2,748,000);
- (ii) corporate guarantees provided by the Company;
- (iii) plant and equipment of a subsidiary acquired under finance lease liabilities.

Design Studio Furniture Manufacturer Limited
(Registration Number: 199401553D)

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

Consolidated Statement of Cash Flows

	Group	
	3 Months ended	
	31.03.2011	31.03.2010
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before tax	6,571	3,953
Adjustments:		
Depreciation of property, plant and equipment	780	580
(Gain)/Loss on disposal of property, plant and equipment	(3)	2
Finance expenses	3	5
Finance income	(12)	(16)
Share of gain of an associate	(2,684)	(116)
Amortisation of club membership	1	1
Currency translation difference	22	3
Operating profit before working capital changes	4,678	4,412
Decrease/(increase) in:		
Inventories	938	(259)
Contract work-in-progress	1,294	469
Trade receivables	7,909	6,808
Prepayments, other receivables and deposits	(3,196)	(1,071)
(Decrease)/increase in:		
Trade payables	(3,999)	(648)
Other payables and accrued operating expenses	(2,993)	(4,056)
Deposits received	95	3,604
Cash flows from operations	4,726	9,259
Finance expense paid	(3)	(5)
Income taxes paid	(904)	(1,085)
Net cash flows from operating activities	3,819	8,169
Cash flows from investing activities		
Costs incurred for construction-in-progress	-	(561)
Finance income received	12	16
Proceeds from sale of property, plant and equipment	4	87
Purchase of property, plant and equipment	(257)	(1,995)
Proceeds from sale of investment securities	4	-
Net cash flows used in investing activities	(237)	(2,453)

Design Studio Furniture Manufacturer Limited
(Registration Number: 199401553D)

Consolidated Statement of Cash Flows (cont'd)

	Group	
	3 Months ended	
	31.03.2011	31.03.2010
	S\$'000	S\$'000
Cash flows from financing activities		
Increase in fixed deposits pledged	-	(2,196)
Repayment of finance lease liabilities	(10)	(34)
Net cash flows used in financing activities	(10)	(2,230)
Net increase in cash and cash equivalents	3,572	3,486
Cash and cash equivalents at beginning of the period	31,953	35,690
Cash and cash equivalents at end of the period (Note A)	35,525	39,176

Notes to Consolidated Statement of Cash Flows

A. Cash and cash equivalents

	Group	
	31.03.2011	31.03.2010
	S\$'000	S\$'000
Cash and bank balances	11,436	3,753
Fixed deposits	26,837	38,288
	38,273	42,041
Less: Fixed deposits pledged	(2,748)	(2,865)
Cash and cash equivalents	35,525	39,176

Design Studio Furniture Manufacturer Limited
(Registration Number: 199401553D)

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

(A) Consolidated Statement of Comprehensive Income

	Group		
	31.03.2011 S\$'000	3 Months ended 31.03.2010 S\$'000	+ / (-) %
Profit net of tax	5,960	3,322	79.4
Other comprehensive income			
Foreign currency translation	16	1	1,500.0
Share of other comprehensive income of an associate	(40)	-	N.M.
Total comprehensive income attributable to equity holders of the Company	5,936	3,323	78.6

(B) Statement of Changes in Equity

Group	Share capital S\$'000	Revenue reserves S\$'000	Other reserves S\$'000	Total S\$'000
2011				
Opening balance at 01 January 2011	30,161	54,431	34	84,626
Total comprehensive income for 1Q2011	-	5,960	(24)	5,936
Closing balance at 31 March 2011	30,161	60,391	10	90,562
2010				
Opening balance at 01 January 2010	30,111	41,194	(14)	71,291
Total comprehensive income for 1Q2010	-	3,322	1	3,323
New shares issued upon conversion of shares from convertible notes	50	-	-	50
Closing balance at 31 March 2010	30,161	44,516	(13)	74,664
Company				
	Share capital S\$'000	Revenue reserves S\$'000	Total S\$'000	
2011				
Opening balance at 01 January 2011	30,161	38,977	69,138	
Total comprehensive income for 1Q2011	-	2,715	2,715	
Closing balance at 31 March 2011	30,161	41,692	71,853	
2010				
Opening balance at 01 January 2010	30,111	28,258	58,369	
Total comprehensive income for 1Q2010	-	3,266	3,266	
New shares issued upon conversion of shares from convertible notes	50	-	50	
Closing balance at 31 March 2010	30,161	31,524	61,685	

Design Studio Furniture Manufacturer Limited
(Registration Number: 199401553D)

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-back, exercise of share options of warrants, conversion of other issues of equity securities, issue of share 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.

(1) Current period reported on

	No of ordinary shares	S\$'000
Issued and fully paid-up ordinary shares as at 31 March 2011	255,222,505	30,161

(2) Immediately preceding financial year

	No of ordinary shares	S\$'000
Issued and fully paid-up ordinary shares as at 31 December 2010	255,222,505	30,161

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.

	31.03.2011	31.12.2010
Total number of shares (excluding treasury shares)	255,222,505	255,222,505

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 March 2011 as the Company does not have any treasury shares.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed.

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

Not applicable.

Design Studio Furniture Manufacturer Limited

(Registration Number: 199401553D)

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 Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2010, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2011. Please see note 5.

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

In the current year, the Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2011. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or amended FRS that is relevant to the Group:

Description	Effective for annual periods beginning on or after
Amendment to FRS 32 Financial Instruments: Presentation - Classification of Rights Issues	1 February 2010
INT FRS 119 Extinguishing Financial Liabilities with Equity Instruments	1 July 2010
Revised FRS 24 Related Party Disclosures	1 January 2011
Amendments to INT FRS 114 Prepayments of a Minimum Funding Requirement	1 January 2011
INT FRS 115 Agreements for the Construction of Real Estate	1 January 2011

The adoption of the above FRS and INT FRS did not result in any substantial change to the Group's accounting policies or any significant financial impact on the financial statements.

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

- (a) Based on weighted average number of ordinary shares on issue
- (b) Based on fully diluted basis (detailing any adjustments made to the earnings)

	Group	
	3 Months ended	
	31.03.2011	31.03.2010
(a) Based on weighted average number of ordinary shares in issue of 255,222,505	2.34 cents	1.30 cents
(b) On fully diluted basis	N.A.	N.A.

The basic earnings per ordinary share for the first quarter ended 31 March 2011 is calculated by dividing the first quarter profit attributable to shareholders of S\$6.0 million (31 March 2010: S\$3.3 million) by the weighted average number of 255,222,505 (31 March 2010: 255,187,079) shares in issue during the financial period.

Design Studio Furniture Manufacturer Limited
(Registration Number: 199401553D)

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

(1) Current period reported on

	Group 31.03.2011	Company 31.03.2011
Net asset value per ordinary share for the period based on existing issued share capital as at 31 March 2011 of 255,222,505 ordinary shares	35.48 cents	28.15 cents

(2) Immediately preceding financial year

	Group 31.12.2010	Company 31.12.2010
Net asset value per ordinary share for the period based on existing issued share capital as at 31 December 2010 of 255,222,505 ordinary shares	33.16 cents	27.09 cents

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 that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Group Performance

1Q2011 vs 1Q2010

	3 Months ended		
	31.03.2011 S\$'000	31.03.2010 S\$'000	+/(-) %
Residential property projects	23,936	10,995	117.7
Hospitality and commercial projects	2,711	5,969	(54.6)
Distributorship projects	2,855	2,867	(0.4)
Total	29,502	19,831	48.8

For 1Q2011, the Group's revenue increased by 48.8% to S\$29.5 million as compared with the revenue for 1Q2010. The increase was mainly contributed by the residential property projects segment.

The gross margin decreased from 29.3% in 1Q2010 to 23.5% for 1Q2011, as a result of lower margins recorded in some projects in 1Q2011 versus 1Q2010.

Marketing and distribution expenses increased by 41.1% to S\$1.1 million for 1Q2011 as compared with 1Q2010. The increase is mainly due to the increase in expenses incurred for the local exhibition and staff related expenses in the current quarter.

Design Studio Furniture Manufacturer Limited

(Registration Number: 199401553D)

General and administrative expenses (excluding foreign exchange loss) increased by 43.8% from S\$1.1 million in 1Q2010 to S\$1.6 million in 1Q2011. The increase was mainly due to increase in professional fees and staff related expenses. After taking into account the foreign exchange loss, the net general expenses had increased from S\$1.3 million in 1Q2010 to S\$2.0 million in 1Q2011.

Finance expenses decreased by 40.0% to S\$3,000 in 1Q2011 as compared with S\$5,000 recorded in 1Q2010. The decrease was mainly due to lower utilization of bank facilities.

Finance income decreased by 25.0% to S\$12,000 in 1Q2011 as compared with S\$16,000 in 1Q2010 as a result of lower interest rates during the quarter.

In the current quarter, the Group recognized S\$2.7 million of profit from associate, DDS group as compared with S\$116,000 in 1Q2010.

As a result, the Group achieved higher net profit before tax of S\$6.6 million for 1Q2011, as compared with S\$4.0 million for 1Q2010. After taking into account the tax expenses, the Group's net profit after tax was S\$6.0 million for 1Q2011.

Balance Sheet (31 March 2011 vs 31 December 2010)

Property, plant and equipment decreased by S\$0.5 million to S\$11.1 million as at 31 March 2011 as compared with S\$11.6 million as at 31 December 2010 due to depreciation charged for the quarter.

Non-current trade receivables are retention sums due in more than 12 months. It increased from S\$9.1 million as at 31 December 2010 to S\$11.2 million as at 31 March 2011.

Current trade receivables decreased by S\$9.9 million to S\$21.5 million as at 31 March 2011 as compared with 31 December 2010. The decrease was mainly due to higher collection from trade debtors. As a result, the Group's total cash and cash equivalents increased from S\$34.7 million in 31 December 2010 to S\$38.3 million as at 31 March 2011.

Other receivables and deposits increased by S\$3.4 million mainly due to deposits related to purchase of machineries for the new factory in China.

Trade payables decreased by S\$4.0 million, mainly due to settlement of payment to trade creditors during 1Q2011.

Accrued operating expenses decreased by S\$2.9 million to S\$13.3 million as at 31 March 2011 as compared with 31 December 2010. The decrease was due to payment of bonus accrued as at 31 December 2010 and lower accrual of project related costs in the current quarter.

Cash Flows (1Q2011 vs 1Q2010)

For the 3 month period ended 31 March 2011, there was net cash inflow of S\$3.6 million, mainly from operating activities.

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

Not applicable

Design Studio Furniture Manufacturer Limited

(Registration Number: 199401553D)

- 10. A commentary at the date of the announcement of the 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 order book on hand stood at S\$136.7 million as at 10 May 2011. With our strong order book on hand and barring any unforeseen circumstances, the Group is expected to remain profitable for FY2011.

- 11. Dividend**

(1) Current Financial Period Reported On

Nil

(2) Corresponding Period of the immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Nil

Date payable

Not applicable

Books closure date

Not applicable

- 12. If no dividend has been declared/recommendeded, a statement to the effect.**

No interim dividend has been declared / recommended for 1Q ended 31 March 2011.

PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT **(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

- 13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Not applicable

- 14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Not applicable

- 15. A breakdown of sales**

Not applicable

- 16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Not applicable

Design Studio Furniture Manufacturer Limited
(Registration Number: 199401553D)

AGGREGATE VALUE OF TRANSACTION UNDER RULE 920(1)(A)(II) OF THE LISTING MANUAL

Aggregate value of transactions conducted pursuant to the general mandate for interested persons transactions for the 3 months period ended 31 March 2011 pursuant to Rule 920(1)(a)(ii) of the listing Manual:

Name of interest person	Aggregate value of all interested persons transactions during the period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Depa Interior LLC & its associates	NIL	S\$ 4,213,049

BY ORDER OF THE BOARD

Lim Bee Lian Eliza
Secretary

Date: 11 May 2011

Design Studio Furniture Manufacturer Limited
(Registration Number: 199401553D)

CONFIRMATION BY THE BOARD

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for the first quarter ended 31 March 2011 to be false or misleading in any material respect.

ON BEHALF OF BOARD OF DIRECTORS

Name: Bernard Lim Leng Foo
Director

Name: Kelly Ng Chai Choey
Director

Date: 11 May 2011