



FOR IMMEDIATE RELEASE

LIAN BENG FULL YEAR PROFIT UP 41% TO \$24M

SINGAPORE, 28 July 2010 – Singapore’s major homegrown building construction company **Lian Beng Group** has reported a net profit attributable to shareholders of \$24.0 million for the financial year ended 31 May 2010 (FY10), compared to \$17.0 million in 2009 (FY09). The 41% year-on-year jump in profitability was driven by strong performance across the Group’s construction, property development and ready-mixed concrete divisions.

On the back of increased contribution from the Group’s property development and ready-mixed concrete business divisions, revenue for FY10 rose 12% to hit a record \$345.7 million, from \$308.4 million in FY09. FY10 earnings per share surged 41% to 4.54 cents versus 3.21 cents the year before.

Gross profit leaped 22% to \$45.3 million from \$37.1 million, as revenue growth outpaced cost of sales. Accordingly, gross margin was also higher at 13% compared to 12% previously.

Performance Highlights

S\$’m	12 months ended 31 May (FY)		Change
	2010	2009	%
Turnover	345.7	308.4	▲ 12.1
Gross profit	45.3	37.1	▲ 22.2
Profit before tax	29.0	20.8	▲ 39.2
Profit attributable to shareholders	24.0	17.0	▲ 41.2
EPS (Sgp cents)	4.54	3.21	▲ 41.4

Commenting on Lian Beng’s sterling performance, Mr Ong Pang Aik, Managing Director, said, “These results bear testament to the continued potential of the robust construction industry. They are the fruit of our strategic positioning and participation in key areas of the construction value chain.”



FOR IMMEDIATE RELEASE

In view of its strong performance, the Group is declaring a first and final cash dividend of 0.4 cent per share, and a special dividend of 0.4 cent per share. Together, this represents a dividend payout ratio of 17%.

During the year, the Group expanded its ready-mix concrete business, with the addition of a second batching plant as well as purchase of machinery and mixer trucks. Accordingly, this segment registered an 82% increase to \$18.3 million from \$10 million, contributing about 5% of total revenue.

As for its mainstay construction business, the Group was awarded five building contracts worth about \$530 million for the construction of private residential developments *The Gale*, *Waterfront Key*, *Waterbank@Dakota*, *Centro Residences*, and *The Laurels*. The addition of these contracts, coupled with the \$88 million condominium contract at Spottiswoode Park Road secured at the beginning of FY11 brings the Group's order book to \$846 million.

Due mainly to the progress made in the construction of OLA Residences, the Group's property development segment recorded a surge in revenue to \$28.7 million from \$1.2 million. Also during the year, the Group launched its 25%-held Lincoln Suites, a 175-unit freehold luxury condominium development located at the junction of Kiang Guan Avenue and Lincoln Road. The launch was met with favourable response, with more than 50% having been sold to date.

The Group closed the financial year with a stronger balance sheet. Cash and cash equivalents increased nearly three times to \$70.8 million as at 31 May 2010, from \$24.9 million at the start of the year. Due to the repayment of some of its loans, net gearing also decreased to 0.17, compared to 0.67 in FY09.

Looking ahead, the upturn in Singapore's economic fundamentals should bode well for the domestic construction sector, with demand from both private and public sectors expected to remain favorable over the next few years.

Added Mr Ong, "We currently have quite a few projects in the bag, but we still have bandwidth to take on more. With local demand expected to remain robust, we will continue to pursue tender opportunities in both the private and public sectors."



聯明集團有限公司
LIAN BENG GROUP LTD

Registration No. 199802527Z

FOR IMMEDIATE RELEASE

About Lian Beng Group Ltd

Lian Beng Group Ltd (SGX: Lian Beng) is one of Singapore's major homegrown building construction group, principally engaged in general building construction, integrated civil engineering works and construction support services. Established in 1973 and listed on the Singapore Exchange in 1999, Lian Beng has accumulated a strong track record in the building industry, both locally and in the regional markets, where its past undertakings encompassed public and private residential, institutional, industrial and commercial projects, including the construction of the basement structure of the Marina Bay Integrated Resort hotel towers. In addition to the Group's core business, Lian Beng is also engaged in civil engineering, ready-mix concrete, leasing of construction machinery and equipment, as well as property development. For more information, please visit <http://www.lianbeng.com.sg>

For Media Enquiries, please contact:

Boardroom Communications Pte Ltd
Ms June Yong, june.yong@boardroomlimited.com
+65 6230 9799 (DID) / +65 9007 0007(H/P)

Ms Alvina Tan, alvina.tan@boardroomlimited.com
+65 6230 9798 (DID) / +65 9787 7267 (H/P)