

NEWS RELEASE

LIAN BENG'S 1H08 NET PROFIT SOARS 286% TO S\$8.1M

SINGAPORE, 10 January 2008 – Lian Beng Group Ltd (“Lian Beng” or the “Group”), Singapore’s major homegrown building construction group, registered a four-fold surge in Group net profit, hitting a record of S\$8.1m or 1.72 cents per share, for the half-year ended 30 November 2007 (“1H08”). The Group’s revenue for 1H08 jumped 23% to S\$106.3m.

Financial Highlights

S\$'m	1 st Half-year ended 30 Nov		Change
	2007	2006	%
Revenue	106.3	86.3	▲ 23.1
Gross profit	16.6	5.4	▲ 206.8
Profit before Tax	10.3	3.0	▲ 249.6
Profit after Tax	8.1	2.1	▲ 285.5
EPS (Sgp cents)	1.72	0.48	▲ 258.3

Commenting on the Group’s half-year results, Mr Ong Pang Aik, Managing Director of Lian Beng Group said, “The past half year has been very exciting, after a dry spell that lasted about 10 years. We managed to secure some interesting contracts, and were able to take advantage of the construction boom to expand our business activities.”

Performance Review and Update

The strong set of results for 1H08 was due largely to better margins from the Group’s construction services, and higher revenue recognition from the progressive completion of construction projects. Gross profit margins for the Group, as a result, increased almost three-fold to 15.6% for 1H08, up from 6.3% in the previous corresponding financial half-year.

The construction division continued to be the key growth driver for the Group, contributing more than 90% to the Group’s revenue, with the remaining 10% coming from the engineering and leasing, and property development divisions. The significant construction contracts that added to the Group’s orderbook during the period under review include condominium developments at Toh Tuck Road and Simon Road.



Propelled by a relatively positive property market outlook, the Group made further in-roads in the property development scene in 1H08 when it joined hands with three other partners to purchase freehold Lincoln Lodge, off Newton Road, for S\$243m. The Group subsequently acquired a cluster of eight freehold semi-detached houses, along Mountbatten Road for S\$42m.

In view of Lian Beng's business strategy to further enhance its construction revenue stream, as well as to participate in any upside that can be achieved from the sale of condominium units, the Group undertook a 10% equity stake for the joint redevelopment of a private condominium off Upper Bukit Timah Road with LaSalle Investment Management. Lian Beng had also separately undertaken a 20% equity stake for the development of a luxurious condominium at the Kovan site located at Simon Road, with Duke Development.

Outlook

With stronger construction demand visibility and private residential property prices holding firm, the Group expects outlook for the construction and property sectors to remain relatively robust in the next six to 12 months. To date, the Group's construction order book stands at approximately S\$608m.

Said Mr Ong, "We will maintain our strategy of selectively tendering for larger scale construction projects in both the public and private sector, and will gradually strengthen our property development arm via suitable acquisitions and strategic alliances."

About Lian Beng Group Ltd

Lian Beng Group Ltd 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. In addition to the Group's core business, Lian Beng is also involved in engineering and leasing of construction machinery and equipment, and property development. For more information, please visit <http://www.lianbeng.com.sg>

For Media Enquiries, please contact: Boardroom Communications Pte Ltd
Alvina Tan, email: alvina.tan@boardroomlimited.com, +65 6230 9798 / +65 9787 7267