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## Lian Beng's FY11 net profit increases 100.7% to S\$48.6mil; proposes dividends of 1.6 cents per share

- Revenue increased 46.7% to S\$507.3 million from S\$345.7 million in FY10
- Cash and cash equivalents at a healthy S\$149.9 million as at 31 May 2011, up 111.7% from S\$70.8 million as at 31 May 2010
- Proposed dividends of 1.6 cents per share for FY11 is 100% more than 0.8 cents per share in FY10 and represents a stellar 4.2% dividend yield
- Robust order book of S\$839 million to contribute towards top line through FY14

SINGAPORE, 28 July 2011 – One of Singapore's home-grown listed construction groups, **Lian Beng Group** ("Lian Beng" or "the Group") (聯明集團) reports an increase in net profit from S\$24.2 million in FY10 to S\$48.6 million in FY11 on broad-based segment growth impetus from construction, property development and other-construction related businesses.

S\$'000	FY ended 31 May 2011	FY ended 31 May 2010	%change
Revenue	507,302	345,705	▲ 46.7%
Gross profit	74,973	45,304	▲ 65.5%
Profit before tax	58,271	28,990	▲ 101.0%
Profit after tax	48,629	24,224	▲ 100.7%
EPS (SGD cents)	9.10	4.54	▲ 100.4%
Net profit margin (%)	9.6%	7.0%	▲ 2.6 <sup>^</sup>
<i><sup>^</sup>denotes percentage points</i>			

Revenue increased 46.7%, reaching a record S\$507.3 million in FY11 from S\$345.7 million in FY10 driven by larger contract sizes during the year under review. With an efficient production and tight control over project management, gross profit increased 65.5% to S\$75.0 million in FY11 from S\$45.3 million in FY10. The Group's cash and cash equivalents stood at S\$149.9 million as at 31 May 2011, up 111.7% from S\$70.8 million as at 31 May 2010.



*Mr Ong Pang Aik, Executive Chairman of Lian Beng Group commented, "We are pleased to report a year of record earnings and despite having attained a historical high, we will continue to strive towards achieving a consistent growth momentum and maximising shareholder returns".*

Ending the year on a heartening note, the Group recommends a first and final cash dividend of 1.0 cents per share and a special dividend of 0.6 cents per share, representing a dividend yield of 4.2% and a dividend payout ratio of 17.6%, as compared to FY10 at a total of 0.8 cents per share.

Standing at a solid S\$839 million, the order book as at 31 May 2011 will contribute towards the Group's top line through FY14 and consists mainly of private residential projects, including the latest additions, Hedges Park and Waterfront Isle worth about S\$280 million in total.

Buoyed by a consistent level of interest in the private residential property market and the influx of public housing projects into the market, the Building Construction Authority ("BCA") has forecasted construction demand to reach between S\$22 billion and S\$28 billion by the end of 2011, with about 35% expected to derive from residential projects.

*Mr Ong added, "Equipped with an established track record in both the private and public residential sectors, the Group is poised to capitalise on the domestic housing demand and will continue to tender for more building projects in both the private and public housing sectors".*

**- The End -**



### **About Lian Beng Group**

Since its early pillars of foundation in 1973, Lian Beng Group Ltd (SGX: Lian Beng) has grown from being a sub-contractor to a reputable building construction group through a tenacious focus on its core strengths while being ahead of the industry cycle through active viable diversification. Lian Beng, an A1 grade contractor with the Building and Construction Authority (BCA) in General Building, enables it to tender for public sector building projects of unlimited contract value. The Group has left its mark in the building industry both locally and regionally in the public and private residential, institutional, industrial and commercial sectors, with some of its completed projects encompassing the *Grand Duchess, The Lakeshore, The Sixth Avenue Residences and many other government sector projects*. Additionally, Lian Beng's A2 grade in Civil Engineering with BCA opens the doors to civil engineering projects of up to S\$85 million in contract value. Leveraging on its integrated business model, the Group has foraged into property development of both residential and commercial properties in Singapore; synergistic with the Group's existing core business. Some of its property development and investment projects include *OLA Residences, Kovan Residences, 111 Emerald Hill and Lincoln Suites*.

The Group, an advocate for sustainable living, was awarded with the Green Mark Platinum award by BCA in 2010 for its project at 29 Harrison Road, Lian Beng Group Headquarters.

For more information, please visit <http://www.lianbeng.com.sg>.

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### **Issued for and on behalf of Lian Beng Group Ltd**

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