



FOR IMMEDIATE RELEASE

Lian Beng's FY2012 net profit to shareholders up 8.1% yoy to S\$51.8 million

- Proposes S\$0.02 dividend per share for FY2012, 25% more than that for FY2011
- Cash generative business and sound investment brought cash and cash equivalents to S\$186.8 million as at 31 May 2012
- Strong construction order book of S\$652 million as at 31 May 2012 will keep the Group busy through FY2015

SINGAPORE, 26 July 2012 – Lian Beng Group (“Lian Beng” or “the Group”) (联明集团), a Singapore BCA Grade A1 construction group, reported an 8.1% year-on-year (yoy) increase in profit to shareholders to S\$51.8 million for its financial year months ended 31 May 2012 (“FY2012”).

Mr Ong Pang Aik (王邦益), Lian Beng’s Executive Chairman, commented, “With the better overall performance of the Group, we intend to increase our dividend to 2.0 cents per share for FY2012, a 25% increase from 1.6 cents per share for FY2011.” FY2012’s 2.0 cents per share of dividend works out to a dividend payout of 20.3%, and a yield of 5.5% based on closing share price of 36.5 cents as at 31 May 2012.

Financial highlights (S\$ 'million)	Financial Year ended 31 May 2012 (FY2012)	Financial Year ended 31 May 2011 (FY2011)	%change
Revenue	445.0	507.3	(12.3)%
Gross profit	73.5	75.0	(2.0)%
Gross profit margin (%)	16.5%	14.8%	1.7pp
Profit to shareholders after tax and NCI	52.1	48.2	8.1%
EPS (Singapore cents)	9.83	9.10	8.0%
Dividends per share	2.0 cents	1.6 cents	25.0%
Dividend payout (%) ^	20.3%	17.6%	2.7pp
Dividend yield (%)	5.5%	4.2%	1.3pp

Pp. denotes percentage points
^ based on share price as at 31 May of the respective years

Table 1. Financial highlights for financial year ended 31 May 2012 against last financial year ended 31 May 2011



For the year ended 31 May 2012, the Group is proposing a 1 cents tax exempt first and final 1-tier cash dividend and an additional 1 cent special tax exempt 1-tier cash dividend to be paid on 19 October 2012 upon approval at the Annual General Meeting on 26 September 2012.

The Group has remained focused on its construction operations during the year with construction forming 75.2% of total revenue, S\$445.0 million. Riding upon the growth of the overall construction industry in Singapore, ready-mixed concrete segment grew fastest with revenue percentage contribution increasing from 8.3% in FY2011 to 17.4% in FY2012.

The Group has set up an additional plant at Punggol Timor and expanded its mixer trucks fleet in FY2012, translating to an increase in the Group's property, plant and equipment from S\$42.6 million in FY2011 to S\$50.0 million in FY2012.

The Group's financial position remains strong with cash and cash equivalents at S\$186.8 million as at 31 May 2012. Gain on disposal of investment properties held for sale amounted to S\$7.9 million as well as net cash flows generated from operating activities amounted to S\$80.7 million during the year under review contributing towards a net increase of S\$36.9 million in cash and cash equivalents during the year.

During the year under review, the Group has also entered into joint ventures with strategic business partners for investments such as Hong Leong Garden Shopping Centre, Seletar Garden, King Albert Park and Midlink Plaza which the Group has stakes ranging between 10% to 19%, as well as Dragon Mansion and Hougang Plaza which the Group has taken a 50% stake each. These joint ventures will augment Lian Beng's revenue.

The Group's industrial property project at Mandai Estate, 55%-owned M-Space, was already fully sold as at 31 May 2012. Revenue and profit of which will only be recognised upon the Temporary Occupancy Permit (TOP) in FY2013, according to revised FRS 115 accounting regulation pertaining to industrial property development.

The Group's net order book stood at S\$652 million as at 31 May 2012, providing the Group with a continuous flow of activities through FY2015.



聯明集團有限公司

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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, Lincoln Suites and Mandai Industrial*.

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>.

Issued for and on behalf of Lian Beng Group Ltd

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