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LIAN BENG REPORTS \$17.2M FULL-YEAR PROFIT

SINGAPORE, 29 July 2009 – Singapore’s major homegrown building construction group, **Lian Beng Group Ltd** (SGX: Lian Beng), has marked another year of bottom-line growth to record a 43.3% gain in net profit to \$17.2 million for the financial year ended 31 May 2009 (FY09), compared to \$12 million in FY08. The record profit was achieved on the back of a 58.3% jump in revenue to \$308.4 million, from \$194.8 million in FY08.

Financial Highlights & Review

S\$ 'm	Financial Year ended 31 May		Change
	2009	2008	%
Turnover	308.4	194.8	▲ 58.3
Gross profit	37.1	29.2	▲ 26.8
Profit before Tax	20.8	15.4	▲ 35.1
Profit after Tax	17.2	12.0	▲ 43.3
EPS (Sgp cents)	3.21	2.39	▲ 34.3

Revenue grew as a result of increased activities as the Group made good progress in the various projects under construction. The Group’s construction division remained its key growth driver, contributing the bulk of total revenue.

Gross profit grew 26.8% to \$37.1 million, as the Group enjoyed higher profit recognition from progress payment on various projects, along with contribution from its property development management, training & testing and ready-mixed concrete businesses.

Mr Ong Pang Aik, Managing Director of Lian Beng, said, “Although market conditions were generally softer than in FY08, our business activity level remained high. This has helped us to deliver yet another year of growth.”



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During the year, the Group secured five construction projects worth approximately \$285 million. Among these was a public sector contract to design and construct a NEWater pipeline from the Changi NEWater plant to Jurong, Tuas and Jurong Island; and another for the development of camp facilities at Kranji for the Defence Science and Technology Agency. The other three projects were private residential developments - Bellerive Condominium, Emerald Hill Residences and the prestigious Ritz-Carlton Residences, which was awarded to the Group's subsidiary, Millennium International Builders Pte Ltd.

Mr Ong commented, "With our knowledge and experience in civil engineering and building construction, we have been able to diversify our project portfolio in response to market demand, and thus hedge ourselves against the effects of the economic downturn."

Balance Sheet

The Group ended the year with a strengthened balance sheet. Total shareholder's equity was \$122.4 million, an increase of 13.3% over the previous financial year. Net asset value per share rose 13.3% to 23.10 cents, while net gearing improved to 0.67 times from 1.13 times in FY08.

Dividend

In view of its positive strong performance, the Group is declaring a first and final cash dividend of 0.4 cent per share, and a special dividend of 0.2 cent per share. Together, this represents a dividend payout ratio of 19%.

Outlook

Lian Beng expects the construction industry to enjoy sustained activities in the medium term. While the bulk of demand should be contributed by the public sector, the Group is also seeing an increase in the number of private residential construction projects available for tender. This comes in the wake of renewed interest in the private residential property market, as evidenced by relatively high take-up rates at various property launches. With its strong track record and proven expertise, the Group is poised to benefit from this demand trend.

Lian Beng currently has an order book of approximately \$516 million, which should ensure a steady flow of activity through FY2011.



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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, 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 involved in engineering and leasing of construction machinery and equipment as well as property development. For more information, please visit <http://www.lianbeng.com.sg>

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