



FOR IMMEDIATE RELEASE

## Lian Beng’s achieves 1QFY2017 net profit of S\$13.5 million

- 1QFY2017 gross profit up 21.7% to S\$18.5 million on higher profit recognition from the construction division
- Maintains strong financial position with cash and cash equivalents of S\$163.3 million as at 31 August 2016

SINGAPORE, 13 October 2016 – Lian Beng Group (“Lian Beng” or “the Group”) (聯明集團), a Singapore BCA Grade A1 construction group, reported a net profit of S\$13.5 million for its first quarter ended 31 August 2016 (“1QFY2017”).

Table 1 – Financial highlights

(S\$ '000)	3 months ended 31 August 2016 (1QFY2017)	3 months ended 31 August 2015 (1QFY2016)	%change
Revenue	70,801	135,622	(47.8%)
Gross profit	18,538	15,230	21.7%
Net Profit	13,515	33,591	(59.8%)

1QFY2017 revenue decreased 47.8% year-on-year (y-o-y) to S\$70.8 million mainly due to a decrease in revenue generated from the construction segment and ready-mixed concrete segment. Gross profit however was up 21.7% y-o-y to S\$18.5 million on higher profit recognition from the construction division.

Other operating expenses increased \$2.8 million to \$5.4 million in 1Q17 mainly due to increase in unrealised exchange loss and impairment loss on investment securities. Distribution expense increased \$1.0 million mainly due to increase in marketing expenses incurred for the launch of industrial property development, T-Space, located at Tampines North Drive 1.



1QFY2017 share of results of associates and joint ventures declined \$20.5 million to \$8.0 million mainly due to the completion of some property development projects such as NEWest and the Midtown and Midtown Residences in the last financial year.

As a result of the above factors, the Group recorded a 59.8% y-o-y decrease in net profit of S\$13.5 million for 1QFFY2017.

The Group maintained a strong balance sheet with healthy cash level of S\$163.3 million as at 31 August 2016 which allows it to continue to explore local and overseas opportunities to further expand its business.

The Group expects the construction industry to remain challenging. The Group will continue to leverage on its track record and proven capability to tender for more projects. The Group also expects its investment in the high yield bonds as well as investment properties to generate stable interest and rental incomes going forward.

Mr Ong Pang Aik (王邦益), Lian Beng's Executive Chairman, commented, "Our financial position remains strong, providing us the financial muscles to seek out property development and investment opportunities locally and overseas, and to continue our business expansion through acquisition, joint venture and/or strategic alliances."

- The End -

### **About Lian Beng Group Ltd**

Established in 1973, Lian Beng Group Ltd is one of few Singapore's major home-grown construction groups with integrated civil engineering and construction support service capabilities. The Group is principally involved in the construction of residential, industrial and commercial projects, and civil engineering projects as a main contractor.

As a Building and Construction Authority (BCA) Grade A1 contractor in General Building, Lian Beng can tender for public sector building projects of unlimited contract value, while its A2 grade in Civil Engineering allows it to tender for engineering projects of up to \$85 million in contract value. Based on years of experience and impeccable track record, the Group has established a reputation in managing large-scale and complex construction projects.

Lian Beng also engages in other construction related activities such as the provision of scaffolding and engineering services, supply of ready-mix concrete and asphalt premix, leasing of equipment and machinery,



reinforcement bar fabrication, sourcing and management of construction materials and training of foreign construction labour.

Apart from construction, Lian Beng also engages in property development locally and overseas, mostly through joint ventures. Some of its completed and ongoing property development projects include Lincoln Suites, M-Space, Spottiswoode Suites, The Midtown & Midtown Residences, NEWest, KAP Residences, Eco-tech@Sunview and Hexacube. The Group also has a few property investment projects locally and overseas which include Prudential Tower. In addition, Lian Beng presently operates two local workers' dormitories, both through joint ventures.

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, the Group's headquarters building.

Lian Beng Group Ltd was listed on the Main Board of the Singapore Exchange in 1999.

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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