



FOR IMMEDIATE RELEASE

## Lian Beng's 9MFY2014 net profit surges 131.7% year-on-year to S\$71.2 million

- 9MFY2014 revenue up 67.0% to S\$585.6 million; Group poised to attain record revenue and profit for FY2014
- Strong order book of S\$1.1 billion as at 28 February 2014 provides sustainable flow of construction activities through FY2017
- Strong cash and cash equivalent of S\$174.9 million as at 28 February 2014 to fund business expansion through acquisition, joint venture or strategic alliance

SINGAPORE, 10 April 2014 – Lian Beng Group (“Lian Beng” or “the Group”) (聯明集團), a Singapore BCA Grade A1 construction group, reported a 131.7% year-on-year (“yoy”) increase in net profit to S\$71.2 million for its nine months ended 28 February 2014 (“9MFY2014”). The strong surge in earnings came as a result of the full recognition of revenue from the Group’s fully-sold 55%-owned industrial property development, M-Space, which received the temporary occupancy permit (“TOP”) in January 2014.

Table 1 – Financial highlights

(S\$ '000)	9 months ended 28 February 2014 (9MFY2014)	9 months ended 28 February 2013 (9MFY2013)	%change
Revenue	585,564	350,664	67.0%
Gross profit	115,160	48,937	135.3%
Profit for the period	71,214	30,731	131.7%
Profit to shareholders	50,330	30,140	67.0%



The recognition of revenue from M-space boosted the Group's 9MFY2014 revenue for its property development segment to approximately S\$177 million. Construction segment remained a key revenue driver, bringing in approximately S\$310 million. Ready-mixed concrete segment also recorded a noteworthy revenue of approximately S\$86 million, paving a strong foundation towards an annual segment revenue of more than S\$100 million for yet another year. 55%-owned Westlite Mandai Dormitory contributed approximately S\$13 million, or 2%, to the Group's revenue. In total, the Group's revenue for 9MFY2014 improved 67.0% yoy to S\$585.6 million, positioning the Group well to end FY2014 with record revenue.

9MFY2014 distribution expenses increased by S\$4.1 million largely due to the increase in selling and marketing expense from the sale of Spottiswoode Suites and Midtown Residences. Other operating expenses increased S\$2.3 million mainly due to the increase in depreciation charges for property, plant & equipment and investment properties.

As a result of the above factors, the Group's 9MFY2014 profit to shareholders improved 67.0% to S\$50.3 million. Mr Ong Pang Aik (王邦益), Lian Beng's Executive Chairman, said, "Our higher revenue was not solely due to the recognition from M-Space. Revenue from our construction and ready-mixed segments also recorded improvements. We are on track for a bountiful FY2014 with record revenue and profit."

The Group's construction order book stood at S\$1.1 billion as at 28 February 2014, providing it with sustainable flow of construction activities through FY2017. Revenue from the Group's residential development projects such as 50%-owned Spottiswoode Suites and Midtown Residences, which are mostly sold, will also stream in steadily.

With a strong cash and cash equivalent of S\$174.9 million as at 28 February 2014, the Group has a huge war chest to continue its business expansion through acquisition, joint venture or strategic alliance. For example, the Group has just recently set up a wholly-owned subsidiary company in Malaysia, Lian Beng Resources Sdn. Bhd., to manage the supply of granite and aggregate. It has also set up its own fleet of tugs and barges for the transportation of construction materials from overseas to Singapore.

- 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, 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, mostly through joint ventures. Some of its property development and investment projects include OLA Residences, Kovan Residences, 111 Emerald Hill, Lincoln Suites, M-Space, Spottiswoode Suites and The Midtown & Midtown Residences. Lian Beng has also developed and presently operates a workers' dormitory, through a joint venture, at Mandai Estate.

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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