



Hock Lian Seng Holdings Limited

80 Marine Parade Road
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For Immediate Release

Hock Lian Seng 1Q2010 net profit increases 79.1% to S\$7.7 million

- 1Q2010 revenue increases 5.7% to S\$61.7 million
- Gross margin improves to 14.8% in 1Q2010 from 9.7% in 1Q2009
- Order book stood at S\$522.7 million as at 31 March 2010

Singapore, 12 May 2010 – Hock Lian Seng Holdings Ltd (“Hock Lian Seng”, “the Group” or “福聯盛控股有限公司”), a BCA Grade A1 civil engineering infrastructure builder and a building materials supplier, increased its 1Q2010 net profit by 79.1% to S\$7.7 million for the period ended 31 March 2010.

Financial Highlights (S\$'mln)	1Q2010	1Q2009	% Change
Revenue	61.7	58.4	5.7
Gross Profit	9.1	5.7	61.4
<i>Gross Profit Margin</i>	<i>14.8%</i>	<i>9.7%</i>	-
Other income	1.5	0.5	212.2
Profit for the period	7.7	4.3	79.1
Net cash flow from operating activities	11.8	16.4	(28.0)
EPS [^] (cents) to equity holders ⁽¹⁾	1.5	1.7	(11.8)

[^] : Calculated on fully diluted basis.

⁽¹⁾: The average number of shares for Q12010 was 509,978,991 which represents the number of the post-invitation shares of the Group. In respect of 1Q2009, the average number of shares was 252,000,000 which represents the number of shares of the Group's subsidiary company. Based on pre-invitation shares of 399,978,991, the EPS for 1Q2009 was 1.1 cents.

Revenue by Industry sectors (S\$'mln)	1Q2010	1Q2009	% Change
Civil Engineering	60.5	56.9	6.3
Building material	1.2	1.5	(20.0)
Total Revenue	61.7	58.4	5.7



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The increase of S\$3.3 million (5.7%) in revenue of 1Q2010 is driven by the strong civil engineering construction activities. The Civil Engineering segment see an increase of S\$3.6 million in revenue in 1Q2010 with the contribution of Marina Bay Station Project, Marina Coastal Expressway Project and Gali Batu Depot Project, whereas in 1Q2009, Marina Coastal Expressway and Gali Batu Depot projects have not yet commenced. The higher gross profit and gross profit margin were mainly due to the better margin from new projects and additional works done.

Mr Chua Leong Hai (蔡龍海), Executive Chairman and CEO, commented, “We are pleased to continue our good performance from 2009 into the new financial year. Our order book of S\$522.7 million as at 31 March 2010 will continue to keep us busy for the coming few years.”

Other income increased by S\$1.0 million mainly due to the gain of S\$1.3 million from sales of investment securities.

The S\$0.7 million increase in administrative expenses was mainly attributed to the higher accruals for performance bonuses arising from the higher operating profit of the Group.

The Group maintained a strong balance sheet as at 31 March 2010 with cash and cash equivalents at S\$156.2 million. The net IPO proceeds of S\$25.7 million have not been utilized yet.

According to the press release issued by Ministry of Trade and Industry dated 14 April 2010, that domestic construction sector recorded a growth of 11.3% on a year-on-year basis in the first quarter of 2010, supported by sustained public sector civil engineering activities and an increase in the number of residential construction projects¹.

¹ For more information, please refer to [http://app.mti.gov.sg/data/article/21703/doc/Advance%20GDP%20estimates%20for%201Q10%20\(final\).pdf](http://app.mti.gov.sg/data/article/21703/doc/Advance%20GDP%20estimates%20for%201Q10%20(final).pdf)



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Mr Chua concluded, “We believe with our proven strong track record and multiple public sector projects currently in the pipeline, we can leverage on the upbeat construction sector and steer towards another successful year in 2010.”

- The End -

About Hock Lian Seng Holdings Limited (Bloomberg code: HLSH)

Hock Lian Seng Holdings Limited was listed on SGX Mainboard on 21 December 2009. Its core business segments are civil engineering and building materials. The Group carries out civil engineering works for bridges, expressways, tunnels, MRT, port facilities, water and sewage facilities and other infrastructure works. It also procures and sells building materials (namely, concreting sand and aggregates) for building and construction purposes mainly for Singapore public sector contracts.

Hock Lian Seng is one of the leading local civil engineering construction companies. Its major customers include government and government-related bodies of Singapore, such as the LTA, the HDB, the PSA, the PUB and the CAAS.

Issued for and on behalf of Hock Lian Seng Holdings Limited
By Financial PR Pte Ltd

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